



## **NORTH CAROLINA HEALTH INSURANCE TRUST COMMISSION**

### **Report to the General Assembly**

March 1, 1989

---

**North Carolina Health Insurance Trust Commission  
Members**

Mr. Dennis R. Barry	Moses H. Cone Memorial Hospital 1200 N. Elm Street Greensboro, N.C. 27401-1020	(919) 379-3881
Mr. James D. Bernstein Vice Chairman	Office of Health Resources Development Division of Facility Services Department of Human Resources 701 Barbour Drive Raleigh, N.C. 27603-2008	(919) 733-2040
Mr. Shannon Brown Chairman	Betsy Johnson Memorial Hospital, Inc. 800 Tilghman Drive Dunn, N.C. 28334	(919) 892-7161
Dr. Charles A. Cook	P.O. Box 28145 Park Place, Six Forks Road Raleigh, N.C. 27611	(919) 783-0200
Mr. Allen Feezor	N.C. Department of Insurance P.O. Box 26387 Raleigh, N.C. 27611	(919) 733-6350
Mr. John R. Griffin, Jr.	Blue Cross Blue Shield of North Carolina Post Office Box 2291 Durham, N.C. 27702	(919) 489-7431
Dr. Barbara Kitchell	Enzyme Technology Research Group 2020 W. Main Street Suite 40 Durham, N.C. 27705	(919) 684-2182 or 286-5617
Dr. Michael L. Steiner	3044 Sunset Drive Rocky Mount, N.C. 27801	(919) 443-6129
Mr. Thomas W. Swann	Jefferson Pilot P.O. Box 20727 Greensboro, N.C. 27420	(919) 547-4217
Mr. Brad Thompson	Digital Equipment Corporation P.O. Box 13988 Research Triangle Park, N.C. 27709	(919) 941-4441

## SUMMARY OF LEGISLATIVE RECOMMENDATIONS

The North Carolina Health Insurance Trust Commission has investigated and considered a number of programs and initiatives designed to increase the number of small employers offering employer-sponsored health insurance. At this point in its deliberation the Commission is recommending that the General Assembly:

- Establish a competitive demonstration program to encourage communities to improve how health care is delivered to the uninsured working poor. (Appendix E)
- Establish a demonstration employer tax credit program to encourage small employers to provide health insurance coverage for employees. (Appendix D)
- Fund \$97,000 for the continuation of the Commission's work.
- Consider enactment of a health pool for "high risk" individuals modeled similar to those adopted in 16 other states. Upon adoption of such a pool, the Commission felt that some variations of the pooling arrangement may be able to be fashioned to help small employers with "high risk" individuals.

The Commission is further recommending that the Department of Insurance:

- Draft a high risk pool bill for introduction into the 1989 General Assembly.
- Consider ways of encouraging more companies (especially HMOs) to actively market or to remain active in the small group market.
- Annually survey this market to assure product availability and, if necessary
- seek authority to set up a joint underwriting plan to assure availability of coverage to small employers.

## SUMMARY OF FINDINGS AND ACTIONS TO DATE

The North Carolina General Assembly established the Health Insurance Trust Commission in 1987 to help make "economic health insurance available to individuals employed by small businesses, and their dependents, who are presently uninsured." The Commission consists of 10 members representing business, insurance, medicine, government, and the public. A copy of the legislation authorizing the Commission is shown in Appendix A.

The Commission was funded by a one-time appropriation of \$10,000 (non-recurring). More than this amount has been expended in (1) publication of the Small Employers Buyer's Guide (\$9,757) and travel related to Commission meetings (\$2,077). The lack of funding for even a single staff person to coordinate the Commission's efforts has limited the Commission's effectiveness. The work of the Commission to date, and its continued existence are as a result of the considerable administrative support, budget, and staff time from the Department of Insurance along with substantial volunteered time from the staff of the Foundation for Alternative Health Care along with a grant from the Kate B. Reynolds Health Care Trust.

Research conducted by the Center for Health Policy Research and Education at Duke University revealed that as many as 1,156,000 North Carolinians are uninsured sometime during a typical year. More than two-thirds of these uninsured live in working families, where a family member typically works in a small firm that does not offer health insurance. The Commission's target are those employers with 25 or fewer employees. The initial goal was to; identify the conditions under which employees will sponsor health insurance for their employees, and the conditions under which employees will purchase health insurance for their dependents; foster the development of affordable health insurance options; and encourage small employers to offer the options. The Commission was aware that success would require more than making lower cost plans available. At a minimum broader employer and employee participation would require a substantial education effort.

The initial meetings of the Commission were devoted primarily to identifying the extent, nature, and geographic concentration of the uninsured problem as well as looking at different approaches being explored in other states to address the problem. This educational period also provided the opportunity to expand the information available on the problem in North Carolina. In particular, the Commission:

- Canvassed the current insurance market to assess what coverages/products were available to small employers.

- Worked with the Employment Security Commission to obtain a list of North Carolina employers with fewer than 25 employees. This list contained over 100,000 employers.
- Identified a list of potential target areas by combining hospital bad debt information with the concentration of small employers.
- Identified potential coalitions (small business and professional groups) which have an interest in health insurance coverage.
- Identified insurance companies and/or associations willing to work with the Commission on the problem.

As part of the effort to better understand the needs and circumstances of uninsured small employers and to assess the willingness of small employers to offer health insurance coverage, a series of small employers focus groups were held around the state between May and August 1988. The central findings from these sessions (see Appendix B for the full report) were:

- The employers had personal coverage either through a spouse or by direct purchase.
- One-third of the employees had insurance through another source.
- The costs of health insurance was the only reason cited by all employers for not offering health insurance coverage.
- There was strong employer preference for a catastrophic plan with a high front end deductible over a good outpatient plan with limited hospital coverage.
- Employee pay, which typically hovered around the minimum wage level, was cited as a major deterrent to employees wanting to purchase dependent coverage.
- Employers were frustrated by the complexity of health insurance and how little information was available to help them.

From the examination of North Carolina's uninsured small employer, emerged a Commission consensus that no single approach would effectively address the problem. There are at least two types of uninsured small employer. There is the employer with stable business, who is; more focused on the future, more comfortable with traditional employer responsibilities, more concerned about employee retention, and more likely to have considered employee health insurance. Then there is the struggling, small employer who is not generating the stable profits needed to provide health insurance. Different strategies would be required.

For the first group of employers, the Commission recommended a strategy designed to encourage, through either incentives and/or assistance, these employers to take that final step to offering employer-sponsored health insurance. For the struggling smaller employer, where no amount of incentive or assistance was likely to be fruitful, the Commission recommends a strategy aimed at helping the employees get needed coverage and/or services. To pursue these strategies the Commission has undertaken a series of projects and has developed a set of recommendations for legislative action. What follows is a brief discussion of projects and recommendations for legislative action:

## TRUST COMMISSION PROJECTS

### ASSURING THE CONTINUED AVAILABILITY OF HEALTH PLAN OPTIONS FOR SMALL EMPLOYERS

In its initial meetings, Commission members themselves expressed, or heard from groups, the perception that health insurance products were not readily available for small employers. Accordingly, in the spring of 1988, the staff of the Department of Insurance, at the Commission's request, canvassed the 600 plus third party administrators, commercial health insurers, medical service plans and health maintenance organizations to find out what products were available to small employers. This initial canvass revealed over a hundred fifty such plans were "being actively marketed" at this time. A subsequent, more detailed survey, in late summer of 1988, showed the number of plans available to be under a hundred. This significant drop in the number of plan options available to the small employer market appears to be a recurring or cyclical problem in times of rapidly rising health care costs as is being experienced presently.

The Commission feels that the Department of Insurance should take a serious look at the long range commitment of insurers to this small employer (and non-group) markets in the granting or renewing of health companies licensed to operate in the State. The Department should also enjoin HMOs to be active in this market. While HMOs offer considerable promise in meaningful cost containment, there is some evidence that HMOs are marketing almost exclusively to the larger employer market. Further consideration should be given to regulatory action/authority to encourage/reward those insurers who are committed to staying in this difficult market through good and bad times. Standby Joint Underwriting Authority (JUA) similar to what the Commissioner of Insurance now has in property and liability lines may be considered, but does not appear to be warranted at this time.

## BUYER'S GUIDE - GROUP HEALTH PLANS FOR SMALL BUSINESSES

In conducting small employer focus groups, some comments suggested that even though there were dozens of products available in the market place, some small employers who might otherwise be interested in providing coverage did not have needed access to such information or the expertise under the existing market. Accordingly, the Commission authorized the composition and printing of a "buyer's guide" for small employers, entitled "Group Health Plans for Small Businesses", Appendix C. This guide provides a glossary of terms, advice on whom to contact and an easy-to-use comparative analysis of six dozen licensed health plans available to small employers, including benefit and price comparisons, underwriting restrictions, etc. Despite very modest publicity efforts, over 1,500 of the 5,000 guides printed have already been distributed to small employers and other interested parties. The Commission is planning to do a more extensive publicity effort this spring in targeted local efforts which include a toll free assistance referral plan (see below). In addition, assuming funding is made available, the Commission is recommending that this publication be updated either yearly or biennially to assist motivated small employers in their efforts to obtain coverage for their employees.

## N.C. LIFE UNDERWRITERS PILOT PROJECT - WILMINGTON, N.C.

The Commission with the help of the Department of Insurance and the Wilmington area members of the North Carolina Association of Life Underwriters are undertaking a public information and education campaign aimed at stimulating greater interest by small employers and their employees in obtaining employer sponsored health plans. The campaign will include: civic club speeches; informational pamphlets; media releases; meetings with various business groups and medical groups, etc -- focusing on the problem of the uninsured in southeastern North Carolina, how this affects everyone, the role small employers play in this along with the information and assistance that small employers might use to obtain these coverages.

All the publicity documents will list an (existing) toll free line that interested small employers or their employees can call to receive the purchasing guide (referenced previously). In addition, callers will be offered follow-up on-site assistance by volunteers who are specially trained members of the Wilmington area life and health underwriters. A follow-up questionnaire will help track whether or not these efforts have resulted in small employers beginning (new) coverages and, if not, why they decided not to.

It is anticipated that this follow-up information will be helpful to the Commission to evaluating whether such an effort might be expanded into other areas. It also will assist the Commission and the General Assembly in evaluating other public policy actions which might be effective in stimulating small employers to provide health insurance options.

**TRUST COMMISSION  
RECOMMENDATIONS FOR LEGISLATIVE ACTION**

**EMPLOYER DEMONSTRATION TAX CREDIT PROGRAM**

Affordability and cost are major barriers to coverage. The effective cost of insurance to employers can be reduced by allowing those who provide coverage to claim a credit against state income liabilities. This voluntary approach which will rely on insurers and delivery systems already in place and will result in limited revenue losses to the state is proposed on a pilot basis. Decisions regarding program expansion and modification can be made as the program proceeds.

The objectives of the program are:

- To stimulate small businesses to provide health insurance for their employees.
- To gain insight into how effective a tax credit program will be if expanded by determining the level of interest in the tax credit program, characteristics of employers who participate and reasons other employers do not participate.
- To identify effects of the program (e.g., revenue losses, features and costs of plans purchased) and aspects of the program that should be modified if the program is to be expanded.

The demonstration's target will be employers with greater than 2 and fewer than 26 employees who meet other conditions, as outlined in Appendix D, are eligible to participate. The program will be restricted to employers whose business and employees are located in targeted geographical areas as identified by the Commission.

Geographical areas selected by the Commission will include at least one urban and one rural area. The areas shall have a high concentration of small businesses. A lower-income rural area served by one or more hospitals with significant bad debts and charity cases shall be among those selected.

A maximum of 10,000 individuals (employees and owners) are targeted for the first operational year.

Program Development and Start-up: is scheduled for September 1, 1989 - June 30, 1990. The target for the program to become operational is July 1, 1990.

Administrative costs and foregone revenue are projected for the next biennium as outlined below.

	<u>Administration</u>	<u>Foregone Revenue</u>	<u>Total</u>
9/1/89 - 6/30/90 (Start-up)	\$150,000		\$ 150,000
7/1/90 - 6/30/91 (1st year of Operation)	<u>100,000</u>	<u>1,600,000</u>	<u>1,700,000</u>
Total	\$250,000	\$1,600,000	\$1,850,000

For complete proposal see Appendix D.

#### HIGH RISK POOL FOR SMALL EMPLOYERS

The Commission debated, at some length, several pooling concepts and their impact on small employers. While the Commission believed that some variation of a pooling arrangement might provide some potential rate relief or guarantee of coverage for a few small employers, they felt the proper first step would be the establishment of a high risk pool for any individual, regardless of the size of their employer, who cannot find coverage elsewhere. Sixteen states have initiated similar high risk pools. Accordingly, the Commission recommended that the Department of Insurance adopt the model pool bill developed by the National Association of Insurance Commissioners for introduction and consideration by the General Assembly.

#### COMMUNITY HEALTH ACCESS PROGRAM

There is a large group of low-paid uninsured workers, many working for very small firms, who will remain largely untouched by strategies designed to expand employer-sponsored insurance coverage. These small employers are unable or unwilling to voluntarily offer insurance coverage to their workers. The Community Health Access Program is designed to improve and expand the capacity of community health delivery systems to better serve these uninsured working poor.

The Trust Commission recommends the funding of a competitive demonstration program in which a limited number of grants are offered to communities/counties to develop and operate a health delivery system, or existing delivery system, to cost-effectively deliver primary and preventive care services and to arrange for necessary referral and support services for the uninsured poor.

The projected cost of this demonstration is \$300,000 in state appropriations to fund, over a two year period, 5 developmental grants which will design health delivery systems and \$1.2 million in state appropriations to fund the systems for a

two-year period. Program administration cost would be \$150,000. Total 2-year cost of the project would be \$1,650,000.

This program is also included in the legislative recommendations of the Indigent Care Study Commission. See Appendix E for proposal.

#### FUNDING OF COMMISSION

While the Commission is authorized to receive outside funding, the anticipated funding source for several of the Commission's ongoing products (The Robert Wood Johnson Foundation) was not forthcoming. Accordingly the Commission is requesting minimal funding by which to continue the projects begun, expand them into new areas, reprint the buyers guide, and fund the travel of the Commission.

1 professional staff	36,000
1 clerical support	18,000
Fringes	12,000
Supplies/equip/phone	10,000
Travel (including Board)	6,000
Reprinting of buyers guide	10,000
Postage	<u>5,000</u>
Total	\$97,000

This is the minimal level of funding needed to carry out the work exclusive of the Tax Incentive and Community Health Access programs, each of which has their own appropriation needs as explained elsewhere.

## **APPENDICES**

- A. Enabling Legislation
- B. Small Employer Focus Groups
- C. Group Health Plans for Small Businesses
- D. Employer Tax Credits for Provision of Health Insurance
- E. Community Health Access Programs

## APPENDIX A

### GENERAL ASSEMBLY OF NORTH CAROLINA 1987 SESSION RATIFIED BILL

#### CHAPTER 765 SENATE BILL 759

#### AN ACT TO AUTHORIZE THE FORMATION OF MULTIPLE EMPLOYER TRUSTS TO PROVIDE HEALTH INSURANCE.

The General Assembly of North Carolina enacts:

Section 1. The General Statutes of North Carolina are amended by adding a new Chapter to read:

##### "Chapter 58A.

"North Carolina Health Insurance Trust Commission.

"**§ 58A-1. Short title.**--This Chapter shall be known as and may be cited as the North Carolina Health Insurance Trust Commission Act.

"**§ 58A-2. Legislative intent.**--The General Assembly finds that there is insufficient group health insurance coverage available to employees of many small businesses in North Carolina, that uninsured employees of these small businesses represent a significant portion of the uncompensated costs of health care providers, and that uninsured individuals have impaired access to health care services and corresponding lower health status. It is the intent of the General Assembly that a Commission, to be known as the 'North Carolina Health Insurance Trust Commission', be organized for the purpose of assisting in making economic health insurance available to individuals employed by small businesses, and their dependents, who are presently uninsured.

"**§ 58A-3. Commission authorized, duties, program eligibility requirements, powers.**--(a) There is created the 'North Carolina Health Insurance Trust Commission', hereafter referred to as the 'Commission'.

(b) The Commission shall:

- (1) Facilitate the provision of group health insurance for employers with 25 or fewer employees, their employees, and their employees' families;
- (2) Arrange for the development of a health insurance benefit plan to provide coverage for primary and ambulatory health care and inpatient hospital care, including the development of pilot programs;
- (3) Establish administrative and accounting procedures for the operation of the Commission;
- (4) Establish employer and employee eligibility criteria for participation in the program;
- (5) Establish participation criteria governing eligibility of authorized insurers, authorized health maintenance organizations, and others, operating in accordance with the General Statutes, to participate in the program;
- (6) Establish procedures under which applicants to and participants in the program may have grievances reviewed by an impartial body and reported to the Commission;

- (7) Contract with authorized insurers to provide services to the Commission;
- (8) Develop and implement a plan to publicize the Commission, the eligibility requirements for the program, the procedures for enrollment in the program, and to maintain public awareness of the Commission and the program;
- (9) Secure staff necessary to properly administer the Commission. Staff costs shall be funded from grant funds, State and local matching funds, and other sources. The Commission shall be located in the Department of Insurance and shall be given necessary administrative support by the Department of Insurance;
- (10) Enter into contracts necessary to carry out the provisions of this Chapter; and
- (11) Provide an annual report to the General Assembly each year beginning not later than March 1, 1989.

(c) The Commission shall set business and employee eligibility standards which shall define limits on employers and employees eligible for participation in the program. Small businesses eligible for participation shall have 25 or fewer full-time employees. Employer eligibility standards shall include a provision that the employer must attest to not having offered or provided any other health insurance benefits in the two-year period prior to the employer's date of application to the program. The Commission shall make all necessary provisions to prevent the payment of or reimbursement for any claim or expense which may be covered under a separate health insurance or health care services plan under which an individual who participates in the program may be covered.

(d) The Commission shall have all powers necessary or convenient to carry out the purposes and provisions of this Chapter, including, but not limited to, the power to receive and accept grants, loans, and advances of funds from any public or private agency, for, or in aid of, the purpose of this act, and to receive and accept contributions, from any source, of money, property, labor, or any other thing of value, to be held, used, and applied for the purposes of this Chapter.

**"§ 58A-4. Commission composition; appointment; terms; reimbursement; and liability.--(a)** The Commission shall consist of ten members:

- (1) One member shall represent small businesses whose employees are eligible to participate in the program established by the Commission;
- (2) One member shall be a representative of an acute care hospital providing services to the program;
- (3) One member shall be a representative of a domestic health care insurer licensed pursuant to Chapter 57 of the General Statutes;
- (4) One member shall be a representative of a domestic health care insurer licensed pursuant to Chapter 58 of the General Statutes;
- (5) One member shall be the Secretary of Human Resources or his designee;
- (6) One member shall be the Commissioner of Insurance or his designee;
- (7) One member shall be a representative of the North Carolina business community whose company provides health insurance to its employees;
- (7a) One member shall be a representative of the public;
- (8) One member shall be a physician licensed to practice medicine in North Carolina and providing services to the program; and

(9) One member shall be a representative of the public, be familiar with health insurance issues, and be an advocate of low and moderate income employees.

(b) The Commission shall be appointed by the General Assembly, in accordance with G.S. 120-121, in the following manner:

(1) One representative of small business employers eligible to participate in the program shall be appointed for an initial term of three years;

(1a) One person who shall be a representative of the public shall be appointed for an initial term of one year;

(2) One domestic health care insurer licensed pursuant to Chapter 57 of the General Statutes shall be appointed for an initial term of two years; and

(3) One physician licensed to practice medicine in North Carolina shall be appointed for an initial term of one year

upon the recommendation of the Speaker of the House of Representatives; and

(1) One representative of an acute care hospital shall be appointed for an initial term of three years;

(2) One domestic health care insurer licensed pursuant to Chapter 58 of the General Statutes shall be appointed for an initial term of two years;

(3) One representative of the business community whose company provides health insurance to its employees shall be appointed for an initial term of two years; and

(4) One representative who shall represent the public and who is familiar with health insurance issues to serve as an advocate for low and moderate income employees shall be appointed for an initial term of one year

upon the recommendation of the President of the Senate.

Initial one year terms shall expire June 30, 1988, initial two year terms shall expire June 30, 1989, and initial three year terms shall expire June 30, 1990.

After the initial terms expire, terms shall be for three years. Vacancies shall be filled in accordance with G.S. 120-122.

(c) Commission members may be reimbursed by the Commission for actual and necessary expenses incurred by them as members, in accordance with G.S. 138-5, but may not otherwise be compensated for their services.

(d) There shall be no liability on the part of, and no cause of action of any nature shall arise against any member of the Commission, its employees or agents for any action taken in good faith and without malice, in performance of their powers and duties under this Chapter.

**"§ 58A-5. Licensing, fiscal control.--(a)** The Commission is not an insurer. The Department of Insurance may require that any marketing representatives used and compensated by the Commission be licensed as representatives of insurance companies, health maintenance organizations, or other insurance providers, with whom the Commission may contract.

(b) The Commissioners shall have complete fiscal control over the Commission and shall be responsible for all Commission operations."

Sec. 2. G.S. 120-123 is amended by adding a new subdivision to read:

"(55) The North Carolina Health Insurance Trust Commission, as established by G.S. 58A-3."

Sec. 3. This act is effective upon ratification.  
In the General Assembly read three times and ratified this the 11th day of  
August, 1987.

ROBERT B. JORDAN III

Robert B. Jordan III  
President of the Senate

LISTON B. RAMSEY

Liston B. Ramsey  
Speaker of the House of Representatives

## APPENDIX B

### SMALL EMPLOYER FOCUS GROUPS

#### **BACKGROUND**

As part of an effort to gather market information to be used in designing a health insurance product for small employers who do not provide health insurance, a series of small employer focus groups were held between May and August, 1988. The purpose of this preliminary market research was to:

- better understand the needs and circumstances of uninsured small employer groups
- assess the willingness of small employers to offer health insurance coverage
- evaluate the trade-offs between plan design and premium in designing a health insurance product that meets the needs of small employers
- provide the framework for a more systematic survey of small employers.

#### **RESULTS**

The first small employer focus group was held in eastern Wilkes County on May 9, 1988. Ten small employers who did not provide health insurance to their employees were invited to a dinner meeting to discuss the health insurance needs of small employers. Seven employers attended (the three employers who did not attend this session did attend a follow-up session). The general characteristics of this employer group were:

##### Type of Business:

Construction	3
Farming	3
Trucking	1
Restaurant	1
Sales	2

##### Age of Business:

Range:	7 - 25 years
Average:	14 years

##### Number of Employees:

Range:	2 - 16
Average:	7 (All but one firm used part-time employees)

**Age of Employees:**

Under 20	2
20-34	20
35-44	17
45-54	16

**Sex of Employees:**

Male	41
Female	14

The first meeting was designed as a get-acquainted session in which the project would be explained and the employers would have a chance to describe their businesses and their experience with health insurance. Depending on the level of interest a follow-up session would be arranged to clarify issues and to help design an acceptable health benefit plan. Because interest was high and their advice helpful, three sessions were held. From these sessions the following observations/considerations emerged.

**Owner Insurance.** Though none of the employers offer employee health insurance, all of the employers had personal coverage either through a spouse or by direct purchase.

*Owner insurance removes one of the incentives for employers to offer employee health insurance. Further complicating matters are the minimum participation requirements for group insurance, typically 100% in very small groups. If, for example, an employer wanted to set up a low cost health plan for employees, then the employer, depending on participation requirements, might be faced with either dropping his superior individual coverage or paying for two plans.*

**Employer Insurance.** Employers reported (two employers didn't know) that almost one-third of their employees had insurance through another source. One employer made this a requirement for employment.

*If the number of employees with insurance through other sources is significant, employee requests for employer sponsored coverage will be muted. Employers described occasional requests from individual employees. No unified employee request occurred. Meeting minimum group participation requirements will also be a problem.*

**Premiums.** The cost of health insurance was the major deterrent to offering coverage. It was the only "reason for not offering health insurance" that was checked by all employers. (Lack of information and employee turnover were tied for a distant second.) Though current premiums were a deterrent, it was difficult to obtain information on what was an "acceptable" premium.

*How much a deterrent cost was dependent more, it appeared, on the employer's circumstance than on the perceived value of the insurance product. For some employers, typically the smallest, there was no acceptable price. The funds just weren't available. For others the decision appeared to be a purely business one. If the employer could attract and keep workers without offering health insurance, then insurance would not be offered.*

**Benefit Plan Design.** The group was unified in believing that a good outpatient plan with limited hospital coverage was not needed. Rather they leaned toward a catastrophic plan with a high front end deductible (\$1000). The employers were very leery of offering any plan to employees that didn't cover the big expenses (employees wouldn't understand the difference in coverage and would feel the employer had let him or her down if the coverage was inadequate).

*The strong employer preference for a catastrophic plan over an outpatient plan raises serious questions about the strategy of developing and marketing a more "affordable" plan. Catastrophic plans with high front end deductible are readily available in the current marketplace.*

**Employee Pay.** Though employee pay information was not formally surveyed, it was clear from the discussion that minimum wages were the rule, not the exception. There was a great deal of discussion and concern about federal proposals to raise the minimum wage.

*Even if employers are willing to sponsor insurance for employees, the level of employee pay raises concerns about the ability of employees to purchase dependent coverage. Clearly a strategy aimed only at what the employer is willing to do for the employee will leave a sizeable portion of the problem untouched.*

**Information/Understanding.** Employers were frustrated by the complexity of health insurance and how little information was available to help them in evaluating plans and coverage. None of the employers had been directly contacted

by a broker or agent. Also, there was an admitted lack of understanding of how offering health insurance would affect them as employers. Employers were not familiar with the federal and state tax laws and regulations that apply.

*This is an area that is ripe for immediate action. Providing useful information and assistance to those employers with the interest and means to provide health insurance should remove, at minimal cost, one of the barriers to moving ahead. The Commission's proposed Guide to Group Health Plans for Small Businesses was viewed as a needed addition.*

**Employer Size.** When it comes to the likelihood of offering health insurance, there appeared to be at least two types of small employers: those employers with more than a half dozen or so employees and those employers with fewer employees. On the whole, the larger employer was more stable, more focused on the future, more concerned about employee retention, more comfortable with traditional employer responsibilities, and more likely to have considered employee health insurance. Though the small employer recognized the need, their businesses did not generate the stable profits needed to consider expanding employee benefits.

*The importance of these perceived distinctions was that no one strategy was likely to work with all small employers. With employers that fell into the larger more stable category, it appeared that strategies, either incentives and and/or assistance, aimed at helping them take that final step could be successful. For the smaller, struggling employer no amount of incentive or assistance was likely to be fruitful. Either employee health insurance becomes a cost of doing business, which would certainly thin out the ranks of small employers, or strategies aimed at helping employees get coverage and/or service be considered.*

**Interest.** Though everyone acknowledged the complexity of the problem, there was a genuine feeling that something needed to be done: "Going without health insurance is much too risky." How to translate that concern into employer action was not so clear. Though each employer wanted "to make an affordable insurance plan available to their employees," in most cases this meant making employees aware of any good options. Only two of the larger employers talked about sponsoring insurance.

These observations were not peculiar to a group of small employers in Wilkes County. Subsequent employer meetings in Wadesboro, Roanoke Rapids, North Wilkesboro, and Yanceyville have supported these initial findings.

# Group Health Plans

## For Small Businesses



North Carolina Health Insurance Trust Commission

Special thanks to  
Mary Jo Bell, Allen Feezor, Rodney Finger, Ronnie Moore,  
Theresa Shackleford, Kathy Taylor and Torlen Wade  
for their efforts in publishing this book.

**November 1, 1988**

**TO: Small Business Owners**

**This book is designed to make the process of finding and buying health insurance for you and your employees a little easier. Health insurance is an important benefit, but it can be expensive and time consuming to find a program that fits your needs and pocketbook.**

**This book is published by the North Carolina Health Insurance Trust Commission which was authorized by the 1987 North Carolina General Assembly. The General Assembly recognized the importance of providing health care benefits in the work place, just as more and more employers have recognized the importance of health benefits in attracting and retaining good employees.**

**The information contained herein was acquired directly from admitted insurance companies or licensed administrators via a mail survey. Only those companies that chose to respond have been included. Many of the companies included are likely to be represented by local insurance agents in your community who can provide excellent assistance in helping you make your decision. The information given is as reported by the companies in the summer of 1988. No independent verification was done. Some information may have changed since that time and will require updating from the insurance company or via an agent or broker. Inclusion of any plan in this book does not constitute an endorsement by the North Carolina Department of Insurance or the Trust Commission.**

**I join with the fellow Trust Commission members listed below in expressing our hopes that this listing and buyers' guide will assist you in making an informed choice on this very important benefit.**



**Jim Long**  
Commissioner of Insurance

**Dr. Dennis R. Barry  
Mr. Jim Bernstein  
Mr. Shannon Brown  
Dr. Charles E. Cook  
Mr. John R. Griffin, Jr.**

**Dr. Barbara Kitchell  
Dr. Michael E. Steiner  
Mr. Thomas W. Swann  
Mr. Brad Thompson**



## **TABLE OF CONTENTS**

	<u>Page Number</u>
Questions to Ask in Evaluating Health Insurance Plans	1-3
Definitions of Common Insurance Terms	4-6
Plans	7-75



## **QUESTIONS TO ASK IN EVALUATING HEALTH INSURANCE PLANS**

Shopping for health insurance need not be imposing as long as you have a good idea of the type of protection you want and which plans provide it. Considering the large number of insurance products on the market, some of which may not meet your firm's needs, it is useful to review plans systematically. A local insurance broker or agent is a good place to start and can be very helpful in evaluating plan options. Should you not have access to an agent or prefer to do your own homework, the following questions can help the small business owner evaluate whether a plan is right for his/her firm.

When you get down to a manageable number of plans, you may want to check with your doctor or a clinic about their claims experience with the insurance carrier. You may also want to do reference checks with other employers who use this company or administrator before making your final decision.

### **Is your type of company or business excluded from coverage?**

Some insurance companies may exclude certain businesses from coverage (e.g.: chemical manufacturers, construction workers) or coverage may be offered at a higher premium rate (because of the increased risk associated with the business).

### **What treatments, diseases or conditions are excluded from coverage?**

Some plans may exclude certain treatments or care for certain conditions. If your employees or their dependents have specific needs, you should examine the coverage for the specific needs.

### **What are the time limits, maximum payments, or any restrictions for pre-existing conditions?**

Some plans exclude coverage for illnesses that started before the plan goes into effect. Others have waiting periods before existing illnesses are covered should they continue or reemerge after that waiting period. The maximum waiting period for pre-existing conditions is 2 years under group health. Not all plans will pay for treatment of illnesses that were covered under a previous plan.

### **If you are changing carriers, will the new carrier give credit for any copayments or deductibles already made or provide continuing coverage?**

Some plans may credit the employee's payments made during the year under a previous plan towards the plan's deductible and copayment requirements. Will the new plan accept current employees covered by the previous policy and waive any waiting periods or pre-existing conditions exclusions? If your employees are pregnant or undergoing current treatment, continuity of insurance coverage will be very important.

**What percentage of employees are required to participate in the plan?**

Carriers often require a minimum percentage of eligible employees to participate. If many of your employees are covered by other family members or wouldn't enroll in the plan, it may be more difficult to find coverage as a group.

**Does the carrier require the employer to pay a portion of the premium?**

Some carriers require that the employer pay a minimum percentage of the premium before they will offer the plan.

**How are part-time employees handled?**

How many hours must part-time employees work in order to be eligible for the plan? Does the plan have requirements for how premiums are to be shared between part-time employees and the employer? (Traditionally, part-time employees are not covered unless they work 30+ hours, although recent changes in the tax laws are fostering more employers to cover employees working as few as 17-1/2 hours per week.)

**Does the insurance cover work-related injuries for owners, partners or anyone else not covered by workers' compensation?**

Some policies exclude job related injuries, whether covered by workers' compensation or not.

**Are there any limits on the health care providers that the insured can use?**

Some plans, particularly HMOs or PPOs (Health Maintenance Organization and Preferred Provider Organization) may require or encourage employees to use a selected group of doctors or hospitals. PPOs do not require the use of certain health care providers, but they will waive the copayments and deductibles if insured people do so. If your employees have established relationships with existing doctors, these arrangements may pose problems.

## **What is the stop-loss for covered employees?**

Plans generally limit the annual out-of-pocket costs that any insured individual or family must pay before the plan picks up all the remaining costs. For families with catastrophic illness, the level at which the stop-loss is triggered can be important. Generally this level is \$5,000 to \$7,500.

## **Does the plan require prior approval, precertification or second opinions of need for care?**

In an effort to hold down costs and avoid paying for unnecessary care, many plans now examine whether treatment, especially surgery and hospitalization, is necessary before paying for it. Sometimes these decisions are made before the treatment (prior approval). An insured might be required to get a second opinion before surgery. Failing to do so means paying a higher part of the bill or, in some cases, the whole bill. Some plans require that planned hospital stays be certified ahead of time. Still other plans do reviews after the hospitalization as to whether or not they were necessary and may not pay all of the claim if they feel it was not. It is important that you and your employees understand these insurance plan arrangements so that you can follow plan procedures and work with your doctor to get necessary approvals. Misunderstanding these requirements could be costly for employees.

## **To what extent do policy coverages meet particular needs of your employees?**

If your employees are women of child-bearing age, you might be concerned about maternity benefits and coverage for children, both illness and preventive care.\* If your employees are mostly older males, you might be more concerned about pre-existing conditions and excluded conditions.\*\*\*\*

\*Maternity benefits and well baby care, as well as dependent coverage is optional and must be requested by the employer/employee for coverage.

\*\*Does the policy cover older employees that may be eligible for medicare. If so, is the group insurance primary or secondary?

## **Will your plan be affected by COBRA?**

\*\*\*Recent federal law required most employer's to provide an option for insurance coverage for the employees who leave their employment. Insurance companies are not required or obligated to cover these employees when the employer changes carriers; the responsibility is that of the insureds. Ask your agent or carrier for help in determining your obligations (if any) under this law.

## **DEFINITIONS OF COMMON INSURANCE TERMS**

**ACCIDENT POLICY** - Pays benefits for medical expenses caused by accidental injury only.

**AGENT** - A person who sells insurance for an insurance company. Many agents have license to broker, which means they can sell products from insurance companies other than their parent company.

**AGE RATED** - An insurance premium based on the insured's age. Generally, the premium is larger for older adults.

**ANNUAL STOP LOSS** - The health insurance policy provision which specifies that the insurer will pay 100 percent of the insured's eligible medical expenses after the insured has incurred a specified amount of out-of-pocket expenses.

**BROKER** - A marketing specialist who represents the insurance buyer and who deals with either insurance agents or companies in arranging for the coverage desired. Like an insurance agent, the broker is licensed in the state or states in which s/he conducts business.

**COPAYMENT** - A set fee which a member must pay each time s/he receives certain services.

**CONCURRENT REVIEW** - Ongoing review by the insurance company personnel to determine the need for continued hospitalization, designed to eliminate unnecessarily long hospital delays.

**DEDUCTIBLE** - The amount of medical expenses which must be paid by the insured before the insurance company will pay any benefits. Commonly, the deductible is either \$100 or \$250 but can be higher. Each family member must pay a deductible, usually until three family members have done so.

**DENTAL** - A plan of insurance providing reimbursement for dental expenses, including preventive care.

**EXCLUSIONS** - Any condition for which the insurance company will not pay benefits.

**HMO** - A Health Maintenance Organization is a program providing health care on a prepaid basis to subscribing members. This plan encourages preventive health care.

**HOSPITAL INDEMNITY POLICY** - A health insurance policy which provides a predetermined flat benefit amount for each day an insured is hospitalized.

**HOSPITAL/SURGICAL** - A plan which basically covers in-hospital and surgical treatment but not many out-patient services. This type of insurance plan is generally not as comprehensive as a major medical plan, which provides a broader range of coverage for in and out of the hospital treatment.

**INTERNAL SCHEDULED BENEFITS** - A provision in an insurance policy stating that payment is limited for named treatments (i.e. \$6,000 for open heart surgery). The insurance company will pay up to, but will not exceed, the specified amount.

**LIFETIME LIMIT** - The total amount of benefits payable for any covered person.

**MAJOR MEDICAL** - A health insurance policy that covers almost all aspects of health care, both in and out of the hospital. Benefits payable are based on usual, or reasonable and customary charges for the area in which treatment is received.

**MEDICAID** - A state program of health coverage for the economically disadvantaged, funded by state and federal funds.

**MEDICAL UNDERWRITING** - The determination of what is an acceptable risk for the company, based on the applicant's health status and the amount of insurance the company will write on each acceptable risk.

**MEDICARE** - The federally funded health plan that provides for a portion of the inpatient and outpatient care of qualifying elderly individuals, as well as for some disabled individuals. Most senior citizens, regardless of financial means, are eligible for Medicare.

The Part A Service provided by Medicare covers hospitalization and limited skilled nursing home care, with an annual deductible.

Part B covers physician care and other services, with an annual deductible and then 80% of Medicare allowable charges.

A Medicare recipient can buy insurance coverage to cover the deductibles and copayments required by the program.

**PPQ** - A Preferred Provider Organization is a program that encourages insureds to use certain health care providers. Such incentives may include waiving the deductible or co-insurance. An insured may use any provider s/he chooses, but the insurance company will pay a larger portion of the cost if the insured uses one of the preferred providers.

**PRE-EXISTING CONDITION** - An injury or illness which existed before the person became insured. Benefit payments may be restricted for that condition.

**PRECERTIFICATION REVIEW** - A requirement that a non-emergency hospitalization must be approved by the insurance company before hospital admission. Usually, if the pretreatment review procedure is not followed, benefits payable will be reduced. This feature helps control the cost of insurance.

**SECOND-SURGICAL OPINION** - A requirement that certain elective, nonemergency surgical procedures can be reviewed by a second surgeon and sometimes a third surgeon to confirm the necessity and advisability of surgery.

**SEX RATED** - A differential in premiums for men and women. Generally, premiums for women are higher than for men until women pass the child bearing age.

**RENEWABILITY** - The renewal provision states the renewability of the insurance contract.

**USUAL, REASONABLE, AND CUSTOMARY CHARGES** - The "usual" charge is the most consistent cost billed by a physician or other provider for a given service. The charge is "customary" when it is within the range of usual costs for a given service. A charge is "reasonable" when it meets the usual and customary criteria; or it may be reasonable if, upon review, it merits special consideration based on the nature and extent of treatment of the particular case.

**WEEKLY DISABILITY** - A plan of insurance which replaces some of the insured's income when s/he is totally disabled as defined in the policy.

**WORKER'S COMPENSATION** - A state-administered program which provides insurance for employees while on the job including: (1) Health insurance to pay the cost of medical treatment; (2) Weekly disability to replace lost income while the employee is unable to work; and (3) A death benefit in case of the employee's death.

CARRIER/ADMINISTRATOR: Advance Health Maintenance Organization, Inc.

CONTACT PERSON: John Sharp PHONE: ( 919 ) 851-0800

NAME OF PLAN: FlexLinc

COMPANY FORM NUMBER: Plan A NC/GMC - B3A - R1

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/8/88

GROUPS COVERED:

Groups as small as 15 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes        No X

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes _____	No _____	Chiropractic	Yes _____	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No _____
Other benefits _____					

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: none months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on \_\_\_\_\_ % usual, customary and reasonable charges subject to deductible and copayment.  
prepaid fee for service (HMO)

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 100 %/ 0 %

Outpatient 100 %/ \_\_\_\_\_ % \$25 ER member copayment

Prescription Drugs \_\_\_\_\_ % or \$ \$3.00 or 5.00

MAXIMUMS:

(prescription drug and ER Member room copayment)

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay  
all \_\_\_\_\_ % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ unlimited.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE: **No deductibles apply.**

\_\_\_\_\_ \$100      \_\_\_\_\_ \$250      \_\_\_\_\_ \$500      \_\_\_\_\_ Other

PREMIUM RANGE:

Individual	\$ <u>78.77</u>	minimum	\$ <u>118.15</u>	maximum
Family	\$ <u>212.66</u>	minimum	\$ <u>318.99</u>	maximum

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: Advance Health Maintenance Organization, Inc.  
CONTACT PERSON: John Sharp PHONE: ( 919 ) 851-0800  
NAME OF PLAN: FlexLinc  
COMPANY FORM NUMBER: Plan B NC/ GMC - 1 B3B - R1  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/8/88

GROUPS COVERED:

Groups as small as 15 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

C Any minimum participation requirements: Yes \_\_\_\_\_ No X  
if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes _____	No _____
Major Medical	Yes _____	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No _____
Other benefits _____					

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: none months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on %-usual, customary and reasonable charges subject to deductible and copayment.  
prepaid fee for service (HMO)

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient	<u>100</u> %/ <u>0</u> %	
Outpatient	<u>          </u> %/ <u>          </u> %	\$5.00 office visit \$25 ER member copayment
Prescription Drugs	<u>          </u> % or \$ <u>3.00</u> or <u>5.00</u>	

MAXIMUMS: (prescription drug, emergency room and office visit copayment out of

The insured will pay a maximum of \$            out-of-pocket per year after which the plan will pay

pocket per year) all % based on LOR-----

The maximum the plan will pay in a insured's lifetime is \$ unlimited.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE: No deductibles apply.

\$100 \$250 \$500 Other

PREMIUM RANGE:

Individual	\$ <u>76.02</u> minimum	\$ <u>114.03</u> maximum
Family	\$ <u>205.24</u> minimum	\$ <u>307.86</u> maximum

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$           .

CARRIER/ADMINISTRATOR: Advance Health Maintenance Organization, Inc.

CONTACT PERSON: John Sharp PHONE: ( 919 ) 851-0800

NAME OF PLAN: FlexLinc

COMPANY FORM NUMBER: Plan C NC/GMC - 1B3C - R1

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/88

GROUPS COVERED:

Groups as small as 15 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes        No X  
if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes        No \_\_\_\_\_

Chiropractic Yes        No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes        No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes        No \_\_\_\_\_

Other benefits HMO Service Benefits

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes        No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: None months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on % usual, customary and reasonable charges subject to deductible and copayment.

**Prepaid fee for service (HMO)**

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 100 %/ 0 % \$200.00 per admission

Outpatient        %/        % \$10.00 office visit \$25 ER member copayment

Prescription Drugs        % or \$ \$3.00 or 5.00

MAXIMUMS: prescription drug, office visit, emergency room and admission copayment

The insured will pay a maximum of \$        out-of-pocket per year after which the plan will pay  
all % based on UCR-----

The maximum the plan will pay in a insured's lifetime is \$ unlimited.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE: no deductibles apply

       \$100        \$250        \$500        Other

PREMIUM RANGE:

Individual \$ 70.08 minimum \$ 105.12 maximum

Family \$ 189.23 minimum \$ 283.84 maximum

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$       .

CARRIER/ADMINISTRATOR: Aetna Life Insurance Company

CONTACT PERSON: Lynne A. Norbut

PHONE: (203) 636-4014

NAME OF PLAN: Aetna Group Trust

COMPANY FORM NUMBER: GR-29

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE:

December 20, 1973

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what see attached

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes X\* No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

Other benefits \*10 or more lives required

Is for groups of 2-9 lives and is optional for groups of 10 or more lives.

HOSPITAL PRECERTIFICATION REQUIRED: XXX XX

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/20 %

Outpatient varles %/varles %

Prescription Drugs varles % or \$ \$3.00 or 5.00

MAXIMUMS: Varles

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay  
\_\_\_\_\_ % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ \_\_\_\_\_.

The maximum employee contribution to the premium is \$ \_\_\_\_\_.

DEDUCTIBLES AVAILABLE: \$200, \$300, \$500, \$750 or \$1,000

\$100 \$250 \$500 Other

PREMIUM RANGE: Premium is determined based on plan options selected, demographics and census

Individual \$ \_\_\_\_\_ minimum

\$ \_\_\_\_\_ maximum characteristics

Family \$ \_\_\_\_\_ minimum

\$ \_\_\_\_\_ maximum of the group,

LIFE INSURANCE REQUIRED: X Yes        No

Minimum face amount required \$ 10,000.

and geographic locations.

CARRIER/ADMINISTRATOR: American Service Life Insurance Company

CONTACT PERSON: Marjorie A. Davis

PHONE: ( 817 ) 870-2303

NAME OF PLAN: Group Hospital-Surgical Expense Coverage

COMPANY FORM NUMBER: APC 10-86 (NC)

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: \_\_\_\_\_

**GROUPS COVERED:**

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 25 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what Available to members of National Association of Private Enterprise - only

**BENEFITS OFFERED:**

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes _____	No <u>X</u>	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>X</u>
Other benefits	* Optional				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 24 months.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient 100 %/ 0 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ --

**MAXIMUMS:**

The insured will pay a maximum of \$ n/a out-of-pocket per year after which the plan will pay n/a % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 100%.

**DEDUCTIBLES AVAILABLE:**

\$400,\$600,\$1,000,\$2,500

\$100 X \$250 \$500 Other

**PREMIUM RANGE:**

Individual	\$ <u>34.00</u>	minimum	\$ <u>272.00</u>	maximum
Family	\$ <u>N/A</u>	minimum	\$ <u>N/A</u>	maximum \$400 deductible (varies with number of children)

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: American United Life Insurance Company  
CONTACT PERSON: Daniel L. Wolak, F.S.A. PHONE: ( 317 ) 263-1621  
NAME OF PLAN: Ultimate Care  
COMPANY FORM NUMBER: G2600A and GC2600A  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: April 29, 1986

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 1 Life = No, 2-3 Lives = 100%, 4+ Lives = 75% Participation

BENEFITS OFFERED:

Hospital Surgical Yes        No X

Major Medical Yes X No       

Chemical Dependency Yes X No       

Mental/Nervous Disorders Yes X No       

Other benefits \_\_\_\_\_

Maternity Yes        No       

Chiropractic Yes X No       

Dental Yes        No       

Weekly Disability Yes X No       

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No       

SECOND SURGICAL OPINION PROGRAM: Yes X No       

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 6-12-24 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ \$20

MAXIMUMS:

The insured will pay a maximum of \$ 100 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$X 50% - 2+ Lives -- 0% - 1 Life

DEDUCTIBLES AVAILABLE:

X \$100             \$250      X \$500      X Other

PREMIUM RANGE:

Individual \$ 48.00 minimum \$ 168.00 maximum

Family \$ 168.00 minimum \$ 360.00 maximum

LIFE INSURANCE REQUIRED: X Yes        No  
Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Association Life Insurance Company, Inc.

CONTACT PERSON: Peter M. Noel PHONE: ( 414 ) 797-5122

NAME OF PLAN: Care Management Option (CMO)

COMPANY FORM NUMBER: MP3000

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/4/85

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 50 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits Supplemental Accident, 24-Hour coverages, Prescription Drug Card (PCS), Coverage Continuity

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ \$3.00 or 7.00 deductible If PCS option elected

MAXIMUMS: 1,000 plus deductible

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is XX 75%.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      X Other

PREMIUM RANGE: \*Based on 40-44 year old (Current new business rates)

Individual \$ 61 minimum \$ 69 maximum

Family \$ 172 minimum \$ 201 maximum

LIFE INSURANCE REQUIRED: X Yes        No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Blue Cross Blue Shield of North Carolina  
CONTACT PERSON: Local Sales Office PHONE: (        )         
NAME OF PLAN: Comprehensive Major Medical  
COMPANY FORM NUMBER: CMM  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 2/86

GROUPS COVERED:

Groups as small as 5 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% of eligibles (30 hours per week)

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>X</u>
Other benefits	_____				

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No        10% to 13% rate reduction

SECOND SURGICAL OPINION PROGRAM: Yes X No        No rate affect

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months. 0% employer cont.  
0 months 100% employer cont

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient	<u>80</u> %/	<u>20</u> %
Outpatient	<u>80</u> %/	<u>20</u> %
Prescription Drugs	<u>80/20</u> % or \$	<u>\$3.00 to 7.00</u> Insured's copay

MAXIMUMS:

\$500, \$1000, \$2000

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is XX 50% to 100%.

DEDUCTIBLES AVAILABLE: Maximum deductible per family -- 2 or 3

<u>X</u> \$100	<u>X</u> <del>\$200</del>	<u>X</u> \$500	<u>X</u> <del>\$100</del>
	<u>\$200</u>		<u>\$300</u>

PREMIUM RANGE:	<u>S5N0030</u>	<u>S10007C</u>	
Individual	\$ <u>39.72</u> minimum	<u>6</u> <u>63.87</u> maximum	Adjusted by age/ sex, location, Industry, effec- tive date.
Family	\$ _____ minimum	\$ _____ maximum	

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

\*Some plans include 100% plan liability for cost containment items (accidental injury, pre-admission testing, outpatient surgery, second surgical opinion)

CARRIER/ADMINISTRATOR: Blue Cross Blue Shield of North Carolina  
CONTACT PERSON: Local Sales Office PHONE: ( \_\_\_\_\_ )  
NAME OF PLAN: Comprehensive Major Medical  
COMPANY FORM NUMBER: CMM  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 2/86

GROUPS COVERED:

Groups as small as 5 persons are covered.

Medical underwriting is required for groups smaller than \_\_\_\_\_ persons. N/A

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% of eligibles (30 hours per week)

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes <u>x</u>	No _____	Weekly Disability	Yes _____	No <u>X</u>
Other benefits	_____				

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No X 10% to 13% rate reduction

SECOND SURGICAL OPINION PROGRAM: Yes X No X No rate affect

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months. 0% employer cont.  
0 months. 100% employer cont

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 85 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 85 %/ 15 %

Outpatient 85 %/ 15 %

Prescription Drugs 85/15 % or \$3.00 to 7.00 Insured's copay

MAXIMUMS: \$500, \$1000, \$2000

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is XX 0% to 100%.

DEDUCTIBLES AVAILABLE:

<u>X</u> \$100	<u>X</u> \$ <u>200</u>	<u>X</u> \$500	<u>X</u> \$ <u>300</u>
----------------	------------------------	----------------	------------------------

PREMIUM RANGE: S5N0530

Individual \$ 42.21 minimum

Family \$ \_\_\_\_\_ minimum

S10057C

\$ 66.23 maximum Adjusted by age/

\$ \_\_\_\_\_ maximum sex, location,  
Industry, effective date.

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

\*Some plans include 100% plan liability for cost containment items (accidental injury, pre-admission testing, outpatient surgery, second surgical opinion).

CARRIER/ADMINISTRATOR: Blue Cross Blue Shield of North Carolina

CONTACT PERSON: Local Sales Office PHONE: (        )

NAME OF PLAN: Comprehensive Major Medical

COMPANY FORM NUMBER: CMM

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 2/86

**GROUPS COVERED:**

Groups as small as 5 persons are covered.

Medical underwriting is required for groups smaller than \_\_\_\_\_ persons. N/A

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% of eligibles (30 hours per week)

**BENEFITS OFFERED:**

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>X</u>
Other benefits	_____				

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No X 10% to 13% rate reduction

SECOND SURGICAL OPINION PROGRAM: Yes X No X No rate affect

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months. 0% employer cont.  
0 months. 100% employer cont.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on 90 % usual, customary and reasonable charges subject to deductible and copayment.

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient 90 %/ 10 %

Outpatient 90 %/ 10 %

Prescription Drugs 90/10 % or \$3.00 to 7.00 Insured's copay

**MAXIMUMS:** \$500, \$1000, \$2000

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 0% to 100%.

**DEDUCTIBLES AVAILABLE:**

<u>X</u> <u>\$100</u>	<u>X</u> <u>\$200</u>	<u>X</u> <u>\$500</u>	<u>X</u> <u>XXXXX</u>
	<u>\$200</u>		<u>\$300</u>

**PREMIUM RANGE:** S5N1030 S10103C  
Individual \$ 50.74 minimum \$ 72.40 maximum Adjusted by age/  
Family \$ \_\_\_\_\_ minimum \$ \_\_\_\_\_ maximum sex, location, Industry,  
effective date

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

\* Some plans include 100% plan liability for cost containment items (accidental injury, pre-admission testing, outpatient surgery, second surgical opinion).

CARRIER/ADMINISTRATOR: Blue Cross Blue Shield of North Carolina  
CONTACT PERSON: Local Sales Office PHONE: (\_\_\_\_\_) \_\_\_\_\_  
NAME OF PLAN: Traditional  
COMPANY FORM NUMBER: CMM5  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 2/85

GROUPS COVERED:

Groups as small as 5 persons are covered.

Medical underwriting is required for groups smaller than \_\_\_\_\_ persons. N/A

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% of eligibles (30 hours per week)

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>X</u>
Other benefits _____					

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No X 8% to 15% rate reduction

SECOND SURGICAL OPINION PROGRAM: Yes X No X No rate affect

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months. 0% employer cont.  
0 months. 100% employer cont.

REIMBURSEMENT OF MEDICAL EXPENSES: Major Medical

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%) 10 to 70 Days

Inpatient <u>80</u> %/ <u>20</u> %	Hospital Room - 100% SP or \$75 to \$175
Outpatient <u>80</u> %/ <u>20</u> %	(\$25 Increments)
Prescription Drugs <u>80/20</u> % or \$_____	Professional - By Schedule - Plan Deductible

MAXIMUMS: Major Medical (after basic first dollar) stop loss Surgical 80% to 100% or \$800 to \$3200

The plan will pay a maximum of \$ 3,000 per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 250,000 to \$1,000,000

The maximum employee contribution to the premium is \$ 0% to 100%.

DEDUCTIBLES AVAILABLE: Major Medical

X \$100      \$250      \$500      Other

PREMIUM RANGE:

Individual	\$ <u>51.33</u> minimum	\$ <u>66.04</u> maximum	Adjusted by age/ sex, location, Industry, effective date
Family	\$ _____ minimum	\$ _____ maximum	

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: Blue Cross Blue Shield of North Carolina

CONTACT PERSON: Local Service Office PHONE: (        )       

NAME OF PLAN: Nongroup

COMPANY FORM NUMBER: CMM

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 2/86

GROUPS COVERED: Individual

Groups as small as 1 persons are covered.

Medical underwriting is required ~~for groups up to 1000 persons~~ for all persons YES

Any minimum participation requirements: Yes        No X

If so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>X</u>
Other benefits	_____				

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient	<u>80</u>	% /	<u>20</u>	%
Outpatient	<u>80</u>	% /	<u>20</u>	%
Prescription Drugs	<u>80/20</u> % or \$ _____			

MAXIMUMS:

\$1000 or \$1500

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 100%.

DEDUCTIBLES AVAILABLE:

\$1000, \$5000,

<u>X</u> \$100	<u>X</u> <del>XX</del> XXX	<u>X</u> \$500	<u>\$10,000</u> Other
		<u>\$200</u>	

PREMIUM RANGE:

Individual	\$ <u>8.68</u> minimum	\$ <u>49.80</u> maximum adjusted by age/
Family	\$ _____ minimum	\$ _____ maximum sex, location, effective date

LIFE INSURANCE REQUIRED: Yes        No       

Minimum face amount required \$ \_\_\_\_\_ .

CARRIER/ADMINISTRATOR: Central Reserve Life of North America Insurance Company

CONTACT PERSON: Mary Ellen Larkin PHONE: ( 216 ) 826-4100

NAME OF PLAN: Simplicity Plus, First Dollar and Light Plans

COMPANY FORM NUMBER: CERT-S 1-3 (8/87) CERT-S 4-14 (8/87) CERT-F 1-3 (12/87) CERT-F 4+ (12/87) CERT-LT (8/87)

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: The above certificates were all approved on 5/9/88

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than \* persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100% participation for non-contributory, 75% for contributory

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits Incentive Preventive Medical Benefit

Maternity Yes X\*\* No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months. Free & clear; 24 mos in the Plan

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 % / 20 %

Outpatient 80 % / 20 %

Prescription Drugs 80 % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ \*\*\* out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.00.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \$1,000 Other

PREMIUM RANGE:

Individual \$ 28.00 minimum \$ 250.00 maximum \*\*\*\*

Family \$ 68.00 minimum \$ 549.00 maximum \*\*\*\*\*

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.00.

CARRIER/ADMINISTRATOR: Chubb LifeAmerica through Colonial Life Insurance Co. of America  
CONTACT PERSON: Lee Ivey (Western N.C.) PHONE: ( 404 ) 261-3446  
NAME OF PLAN: Group Trust of Chubb LifeAmerica or Peter Hodge (Eastern N.C.) 703-821-6600  
COMPANY FORM NUMBER: G-7001SL  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: May 27, 1981 - North Carolina

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 12 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% of those eligible

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_ Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_ Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_ Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_ Weekly Disability Yes X No \_\_\_\_\_

Other benefits Long Term Disability for 12 lives or more

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: \_\_\_\_\_ months.

For 12 or more lives, no loss, no gain for takeover; 6 months treatment free or 12 months covered for groups with 2-11 lives.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 90 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80/20 % or \$ 3 or \$5 co-payment

MAXIMUMS:

various

The insured will pay a maximum of \$ options out-of-pocket per year after which the plan will pay

100 % based on UCR (depends upon deductible and co-insurance selected)

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.00.

The maximum employee contribution to the premium is \$ 75%.

DEDUCTIBLES AVAILABLE:

X \$100

X \$250

X \$500

Several Other

PREMIUM RANGE:

Individual \$ 48.50 minimum

\$ 206.70 maximum based upon

Family \$ 161.60 minimum

\$ 419.90 maximum demographics of an individual

group.

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 15,000 for 2-11 lives

\$20,000 for 12+ lives or one times salary (earnings)

CARRIER/ADMINISTRATOR: Commercial Life/Health Plans, Inc.  
CONTACT PERSON: Raymond Bahnsen, V. P. PHONE: ( 201 ) 981-4089  
NAME OF PLAN: Corporate Care  
COMPANY FORM NUMBER: LH 10024  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: \_\_\_\_\_

GROUPS COVERED:

Groups as small as 2 persons are covered.  
Medical underwriting is required for groups smaller than 15 persons.  
Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what 100% under 4 lives, then 75% - 5 or over

BENEFITS OFFERED:

Hospital Surgical	Yes _____	No <u>X</u>	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>Prescription Drug Card</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ N/A - 75% of premium

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \$150-1000 Other

PREMIUM RANGE:

Individual	\$ <u>29</u> minimum	\$ <u>167</u> maximum
Family	\$ <u>135</u> minimum	\$ <u>371</u> maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No  
Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Connecticut General Life Insurance Company

CONTACT PERSON: Patricia Mac Millan PHONE: ( 203 ) 726-4303

NAME OF PLAN: BeneFitter Program

COMPANY FORM NUMBER: GM 6000

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: December 8, 1981

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than \_\_\_\_\_ persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_ Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_ Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_ Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_ Weekly Disability Yes X No \_\_\_\_\_

Other benefits Comprehensive Medical

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional Feature

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_ Optional Per Claim

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months. treatment free, or 12 months Insured

REIMBURSEMENT OF MEDICAL EXPENSES: (Major and Comprehensive Medical)

Paid based on 75 or 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 20 %/ 25 %

Outpatient 20 %/ 25 %

Prescription Drugs 20 or 25 % or \$ \_\_\_\_\_

MAXIMUMS: \$500, \$750, \$1,000, \$1,500, \$2,250 or \$3,000

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay

100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ Unlimited.

The maximum employee contribution to the premium is \$ 75% of the total cost

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      X Other  
Monthly                  \$200, \$300, \$400, \$750, \$1,000

PREMIUM RANGE:(MONTHLY)

Individual \$ 89.05 minimum \$ 153.95 maximum

Family \$ 199.10 minimum \$ 352.75 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5,000.

REF REV. 8-18-88

CARRIER/ADMINISTRATOR: CUNA Mutual Insurance Group

CONTACT PERSON: Alex Sokovich PHONE: ( 608 ) 231-7509

NAME OF PLAN: CUNET Trust of Mississippi

COMPANY FORM NUMBER: E13c-665-0786-C

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: January 22, 1988

**GROUPS COVERED:**

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes        No X  
if so, what \_\_\_\_\_

**BENEFITS OFFERED:**

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____

Other benefits Cost Containment

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient 90/10 %/ 80/20 %

Outpatient 90/10 %/ 80/20 % 50% Psychiatric

Prescription Drugs 10-20 % or \$ 2.00 with drug card plan

**MAXIMUMS:**

The insured will pay a maximum of \$ see below out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 75%.

**DEDUCTIBLES AVAILABLE:**

<u>X</u> \$100	<u>X</u> \$250	<u>X</u> \$500	\$1,000 Other
<u>\$400 copay</u>	<u>\$500 copay</u>	<u>\$500 copay</u>	<u>\$1,000</u>

**PREMIUM RANGE:**

Individual	\$ <u>44.16</u>	minimum	\$ <u>141.77</u>	maximum
Family	\$ <u>127.50</u>	minimum	\$ <u>373.84</u>	maximum

LIFE INSURANCE REQUIRED: Yes X No \_\_\_\_\_

Minimum face amount required \$ N/A.

CARRIER/ADMINISTRATOR: Durham Life Insurance Company/Carolina Benefit Administrators  
CONTACT PERSON: Fred Joyner PHONE: ( 919 ) 765-0297  
NAME OF PLAN: Grouplan 3186  
COMPANY FORM NUMBER: G1380 O-C  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 07/20/83

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 25 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 5 or less/100%; 6 to 9/100% Less one; 10 or more / 75%

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>Optional Dependent Life Insurance</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs \_\_\_\_\_ % or \$ 4.00

MAXIMUMS:

The insured will pay a maximum of \$ 1000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 75% of total premium

DEDUCTIBLES AVAILABLE:

<u>X</u> \$100	<u>X</u> \$250	<u>X</u> \$500	<u>X</u> Other
----------------	----------------	----------------	----------------

PREMIUM RANGE:	<u>UNDER AGE 40</u>	<u>AGE 60-64</u>
Individual	\$ <u>43.31</u> minimum	\$ <u>126.45</u> maximum
Family	\$ <u>160.43</u> minimum	\$ <u>266.63</u> maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Federated Mutual & Federated Life Insurance Company

CONTACT PERSON: John Klaus PHONE: ( 607 ) 455-5508

NAME OF PLAN: Hardware Assoc. of the Carolinas & Virginias Group Ins. Plan & Trust

COMPANY FORM NUMBER: GMM & DENT Ed. 1-85; GLOT Ed. 1-85; GL Ed. 1-85

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 11-21-85/ 11-21-85; 11-18-85

**GROUPS COVERED:**

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 5 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100% - 5 or less; 75% - 6 or more

**BENEFITS OFFERED:**

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

Other benefits Home Health & Hospice

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on 90 % usual, customary and reasonable charges subject to deductible and copayment.

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient 80 %/ 20 % of 1st \$2,000, Plan pays 100% thereafter

Outpatient 80 %/ 20 % of 1st \$2,000, Plan pays 100% thereafter

Prescription Drugs Same as % or \$ Inpatient and Outpatient

**MAXIMUMS:**

The insured will pay a maximum of \$ 900 out-of-pocket per year after which the plan will pay 90 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ \_\_\_\_\_.

**DEDUCTIBLES AVAILABLE:**

\$100 \$250 X \$500 X Other

**PREMIUM RANGE:**

Individual \$ 41.69 minimum \$ 138.99 maximum

Family \$ 169.65 minimum \$ 266.95 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 1,500.00.

CARRIER/ADMINISTRATOR: Federated Mutual & Federated Life Insurance Company

CONTACT PERSON: John Klaus PHONE: ( 507 ) 455-5508

NAME OF PLAN: Trustees of the Carolinas Farm & Power Equip. Dealers Assoc. Ins. Trust

COMPANY FORM NUMBER: GMM & DENT Ed. 1-85; GLOT Ed. 1-85; GL Ed. 1-85

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 11-21-85, 11-21-85, 11-18-85

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 5 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100% - 5 or less; 75% - 6 or more

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits Home Health & Hospice

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 90 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 % of 1st \$5,000, Plan pays 100% thereafter

Outpatient 80 %/ 20 % of 1st \$5,000, Plan pays 100% thereafter

Prescription Drugs same as % or \$ Inpatient and Outpatient

MAXIMUMS:

The insured will pay a maximum of \$ 1,500 out-of-pocket per year after which the plan will pay 90 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 133.48.

DEDUCTIBLES AVAILABLE:

\$100 X \$250 X \$500 \_\_\_\_\_ Other

PREMIUM RANGE:

Individual \$ 55.35 minimum \$ 256.57 maximum

Family \$ 169.65 minimum \$ 266.95 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 2,500.

CARRIER/ADMINISTRATOR: Federated Mutual & Federated Life Insurance Company

CONTACT PERSON: John Klaus PHONE: ( 507 ) 455-5508

NAME OF PLAN: Trustees of the Manufacturer's Group Insurance Trust

COMPANY FORM NUMBER: GMM & DENT Ed. 1-85; GLOT Ed. 1-85; GL Ed. 1-85, GD-1 Ed. 9-70, GD-1 Ed. 5-75,

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 11-21-85, 11-21-85, 11-18-85, 1-15-76, // G-Ed.8-60  
4-7-76

**GROUPS COVERED:**

Groups as small as 3 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

If so, what 100% - 5 or less, 75% - 6 or more

**BENEFITS OFFERED:**

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

Other benefits \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on 90 % usual, customary and reasonable charges subject to deductible and copayment.

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient 80 % / 20 % of 1st \$5,000, Plan pays 100% thereafter

Outpatient 80 % / 20 % of 1st \$5,000, Plan pays 100% thereafter

Prescription Drugs same as % or \$1 Inpatient and Outpatient

**MAXIMUMS:**

The insured will pay a maximum of \$ 1,500 out-of-pocket per year after which the plan will pay 90 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 185.20.

**DEDUCTIBLES AVAILABLE:**

X \$100      \_\_\_\_\_ \$250      X \$500      X Other

**PREMIUM RANGE:**

Individual      \$ 49.63 minimum      \$ 206.78 maximum

Family      \$ 213.25 minimum      \$ 370.40 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 1,500.

CARRIER/ADMINISTRATOR: Federated Mutual & Federated Life Insurance Company

CONTACT PERSON: John Klaus PHONE: ( 507 ) 455-5508

NAME OF PLAN: Trustees of the Southeastern Retailers Insurance Trust

COMPANY FORM NUMBER: GMM & DENT Ed. 1-85, GLOT Ed. 1-85, GD-1 Ed. 9-70, GD-1, Ed. G-1 Ed. 8-60

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 11-21-85, 11-21-85/5-75, 1-15-76, 4-7-76, 1-15-76

GROUPS COVERED:

Groups as small as 3 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100% - 5 or less, 75% - 6 or more

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits Home Health & Hospice

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 90 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/20 % of 1st \$5,000, Plan pays 100% thereafter

Outpatient 80 %/20 % of 1st \$5,000, Plan pays 100% thereafter

Prescription Drugs same as % or \$ Inpatient and Outpatient

MAXIMUMS:

The insured will pay a maximum of \$ 1,500 out-of-pocket per year after which the plan will pay 90 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 212.

DEDUCTIBLES AVAILABLE:

\$100 X \$250 X \$500 X Other

PREMIUM RANGE:

Individual \$ 47.66 minimum \$ 232.65 maximum

Family \$ 197.60 minimum \$ 424.00 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 1,500.

CARRIER/ADMINISTRATOR: Great Southern Life Insurance Company

CONTACT PERSON: C. Dwight Steadman PHONE: ( 404 ) 476-5521

NAME OF PLAN: Comprehensive Major Medical

COMPANY FORM NUMBER: 7500

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: February 3, 1983

GROUPS COVERED:

Groups as small as 15 persons are covered.

Medical underwriting is required for groups smaller than -- persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 85%

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes \_\_\_\_\_ No X \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 6-12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 85 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 70,75,80 %/ 30,25,20 %

Outpatient 70,75,80 %/ 30,25,20 %

Prescription Drugs 100 % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \_\_\_\_\_ Other

PREMIUM RANGE:

Individual \$ 750 minimum \$ 1,250 maximum

Family \$ 2,250 minimum \$ 3,500 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 15,000.

CARRIER/ADMINISTRATOR: HMO of North Carolina, Inc.  
CONTACT PERSON: N. Earl Rideout PHONE: ( 919 ) 489-7431  
NAME OF PLAN: HMO-NC  
COMPANY FORM NUMBER: A401  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: March 31, 1987

GROUPS COVERED:

Groups as small as 5 persons are covered.

Medical underwriting is required for groups smaller than none persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what groups of < 10 require 100% enrollment participation; groups >10 require enrollment participation of at least 10 participants.

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes \_\_\_\_\_ No X \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes \_\_\_\_\_ No X \_\_\_\_\_

Other benefits \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: none months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 100 %/ 0 % NOTE: \$25.00 copay per psychiatric visit

Outpatient 100 %/ 0 % (ltd. 10 visits per calendar year)

Prescription Drugs \_\_\_\_\_ % or \$ 25.00

MAXIMUMS:

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay  
\_\_\_\_\_ % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ \_\_\_\_\_ .

The maximum employee contribution to the premium is \$ \_\_\_\_\_ .

DEDUCTIBLES AVAILABLE:

\$100 \$250 \$500 Other

PREMIUM RANGE:

Individual \$ 55.00 minimum \$ 100.00 maximum

Family \$ 140.00 minimum \$ 255.00 maximum

LIFE INSURANCE REQUIRED: Yes X No \_\_\_\_\_

Minimum face amount required \$ none .

CARRIER/ADMINISTRATOR: Home Life Insurance Company  
CONTACT PERSON: Alan D. Ford PHONE: (201) 980-7216  
NAME OF PLAN: ESP PLUS  
COMPANY FORM NUMBER: GRC-1000  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: JUNE 28, 1982

GROUPS COVERED:

Groups as small as 1 5 persons are covered.

Medical underwriting is required for groups smaller than - - - persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what 75% of all eligible employees

BENEFITS OFFERED:

Hospital Surgical	Yes _____	No <u>X</u>	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>Home</u>	<u>Health Care,</u>	<u>Hospice Care</u>		

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 1 2 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 50 - 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 100 - 75 % / 0 - 25 %

Outpatient 100 - 50 % / 0 - 50 %

Prescription Drugs 20 - 25 % or \$ 3 - 5

MAXIMUMS:

600 - 3,500

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ 75%.

DEDUCTIBLES AVAILABLE:

X \$100      \_\_\_\_\_ \$250      X \$500      X Other

PREMIUM RANGE:

Individual	\$ <u>49.77</u>	minimum	\$ <u>91.58</u>	maximum
Family	\$ <u>124.10</u>	minimum	\$ <u>228.49</u>	maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.00

CARRIER/ADMINISTRATOR: Home Life Insurance Company

CONTACT PERSON: Alan D. Ford PHONE: (201) 980-7216

NAME OF PLAN: ESP

COMPANY FORM NUMBER: GRC-1000

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: JUNE 28, 1982

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 15 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% of eligible employees who are not covered under another plan.

BENEFITS OFFERED:

Hospital Surgical	Yes _____	No <u>X</u>	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____

Other benefits Home Health Care, Hospice Care

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ **Optional**

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 50 - 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 100 - 75% / 0 - 25 %

Outpatient 100 - 50 % / 0 - 50 %

Prescription Drugs 20 - 25 % or \$ 3 - 5

MAXIMUMS:

600 - 1,500

The insured will pay a maximum of \$ 600 - 1,500 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ 7.5 %.

DEDUCTIBLES AVAILABLE:

X \$100            \$250      X \$500      X Other

PREMIUM RANGE:

Individual      \$ 56.78 minimum      \$ 100.53 maximum

Family      \$ 149.97 minimum      \$ 285.28 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5,000.00.

CARRIER/ADMINISTRATOR: Horace Mann Life Insurance Company

CONTACT PERSON: Carla Lehman, Sec./Director PHONE: (217)788-5710

NAME OF PLAN: Comprehensive Major Medical (Modified Plan)

COMPANY FORM NUMBER: 2001 AAZ\* (Business is not written through a trust)

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: July 7, 1969\*

GROUPS COVERED:

Groups as small as \* \* persons are covered.

Medical underwriting is required for groups smaller than N / A persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% of total eligible; 10 life minimum for educational related

BENEFITS OFFERED:

Hospital Surgical Yes        No X

Maternity Yes X No       

Major Medical Yes X No       

Chiropractic Yes X No       

Chemical Dependency Yes X No       

Dental Yes        No X

Mental/Nervous Disorders Yes X No       

Weekly Disability Yes        No X

Other benefits This is a modified comprehensive major medical with varying copayment levels.

HOSPITAL PRECERTIFICATION REQUIRED: Yes        No X

SECOND SURGICAL OPINION PROGRAM: Yes        No X 90 days treatment free

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: \_\_\_\_\_ months. 6 months actively at work  
12 months insured

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on - - % usual, customary and reasonable charges subject to deductible and copayment.  
Different levels based on amount of benefit - from 100% to 70%. See attached.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient        %/       % Varies

Outpatient        %/       % Varies

Prescription Drugs        % or \$        Subject to policy deductible/copayment  
amounts

MAXIMUMS:

The insured will pay a maximum of \$ \* \* \* out-of-pocket per year after which the plan will pay  
\* \* \* % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ Dependent portion of the premium.

\*\*\* Out of pocket level varles from 0% to 30%, dependent upon benefit level.

DEDUCTIBLES AVAILABLE:

<u>      </u> \$100	<u>      </u> \$250	<u>      </u> \$500	<u>      </u> ... Other
*** Minimum \$200	.. Maximum \$1,000		

PREMIUM RANGE:

Individual	\$ <u>90</u> minimum	\$ <u>150</u> maximum
Family	\$ <u>240</u> minimum	\$ <u>450</u> maximum

LIFE INSURANCE REQUIRED: Yes X No \_\_\_\_\_

Minimum face amount required \$ \_\_\_\_\_.

\* This is an alternate page series. The approval date is the date your department originally approved this series.

\*\* Business is not written through a trust. All business is written on a regular group basis. Business is limited to groups with 10 or more lives, which have occupations related to the educational community.

33 Any other occupations require a minimum of 25 lives.

CARRIER/ADMINISTRATOR: Investors Consolidated Insurance Company  
CONTACT PERSON: Charles R. Dilts, Sec'y PHONE: (919)688-3406  
NAME OF PLAN: 2-100 Employee Insurance Benefits  
COMPANY FORM NUMBER: 4550 and 4560  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: \_\_\_\_\_

GROUPS COVERED:  
Groups as small as 2 persons are covered.  
Medical underwriting is required for groups smaller than 1 6 persons.  
Any minimum participation requirements: Yes \_\_\_\_\_ No X  
if so, what \_\_\_\_\_

BENEFITS OFFERED:  
Hospital Surgical Yes X No \_\_\_\_\_ Maternity Yes X No \_\_\_\_\_  
Major Medical Yes X No \_\_\_\_\_ Chiropractic Yes X No \_\_\_\_\_  
Chemical Dependency Yes X No \_\_\_\_\_ Dental Yes \_\_\_\_\_ No X  
Mental/Nervous Disorders Yes X No \_\_\_\_\_ Weekly Disability Yes X No \_\_\_\_\_  
Other benefits Life Insurance and Accidental Death Insurance

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 2 4 months.

#### REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 8 0 % usual, customary and reasonable charges subject to deductible and copayment.

#### PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 1 0 0 % / 0 %  
Outpatient 8 0 % / 2 0 %  
Prescription Drugs 8 0 % or \$ \_\_\_\_\_

#### MAXIMUMS:

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay  
\_\_\_\_\_ % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 5 0 0 , 0 0 0.

The maximum employee contribution to the premium is \$ \_\_\_\_\_.

DEDUCTIBLES AVAILABLE: Integrated  
\_\_\_\_\_\$100 \_\_\_\_\_\$250 Deductible \$500 \_\_\_\_\_ Other

PREMIUM RANGE:  
Individual \$ \_\_\_\_\_ minimum \$ \_\_\_\_\_ maximum  
Family \$ \_\_\_\_\_ minimum \$ \_\_\_\_\_ maximum

LIFE INSURANCE REQUIRED: Yes X No  
Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: Jefferson-Pilot Life Insurance Company  
CONTACT PERSON: J.E. Harshaw PHONE: (919)547-4298  
NAME OF PLAN: CONTROL-MED  
COMPANY FORM NUMBER: GJ-4901 MM-209  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 2-4-87

GROUPS COVERED:

Groups as small as 1 0 persons are covered.

Medical underwriting is required for groups smaller than N / A persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_ Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_ Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_ Dental Yes \_\_\_\_\_ No \_\_\_\_\_

Mental/Nervous Disorders Yes \_\_\_\_\_ No \_\_\_\_\_ Weekly Disability Yes \_\_\_\_\_ No \_\_\_\_\_

Other benefits \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 1 2 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 8 0 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 8 0 %/ 2 0 %

Outpatient 8 0 %/ 2 0 %

Prescription Drugs 8 0 % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ 1,200 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ Cost of dependents

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \_\_\_\_\_ Other

PREMIUM RANGE:

Individual \$ 5 5 minimum \$ \_\_\_\_\_ maximum

Family \$ 1 5 5 minimum \$ \_\_\_\_\_ maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: John Alden Life Insurance

CONTACT PERSON: BILL Sharrett PHONE: (614) 764-9300

NAME OF PLAN: Dimension 100

COMPANY FORM NUMBER: J-3000-CC(34)

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 9-12-84

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 5 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

If so, what 100% for under 6 employees; 80% for more than 5 employees

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

Other benefits LTD, X-Ray and Lab, Supplemental Accident

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 6 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 100 % / 0 %

Outpatient 100 % / 0 %

Prescription Drugs -- % or \$ 5.00 or Variable

MAXIMUMS: 1,250 Ind./\$2,500 Family

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay \_\_\_\_\_ % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 75%.

DEDUCTIBLES AVAILABLE:

\$100 X \$250 \$500 Other

PREMIUM RANGE:

Individual \$ 31 minimum \$ 143 maximum Variable/See

Family \$ 72 minimum \$ 256 maximum Insured's

copayment.

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5,000.

CARRIER/ADMINISTRATOR: Kaiser Foundation Health Plan of North Carolina

CONTACT PERSON: Julie Dyer PHONE: (919) 878-9870

NAME OF PLAN: Plan 204

COMPANY FORM NUMBER: 107290: (Riders: 107295;107302) NCMPGSA-88;NCRX2.7/88;

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 11/16/87 NCDMEA/88

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what At least one employee must enroll in our Plan

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u> No _____	Maternity	Yes <u>X</u> No _____
Major Medical	Yes <u>X</u> No _____	Chiropractic	Yes <u>Limited</u> No _____
Chemical Dependency	Yes _____ No <u>X</u>	Dental	Yes _____ No <u>X</u>
Mental/Nervous Disorders	Yes <u>X</u> No _____	Weekly Disability	Yes _____ No <u>X</u>
Other benefits	<u>Preventive Care for Adults and Children, Skilled Nursing</u>		
	<u>and Home Health Care, Short Term Speech, Physical and Occupational Therapy,</u>		

Prescription Drug coverage available.

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ All medical care must be

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ provided or arranged by a

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 0 months Plan Physician

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on N/A % usual, customary and reasonable charges subject to deductible and copayment.

All covered benefits provided at no charge with no deductible, except for modest\*

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient N/A % /        % \*\*For up to a 30 day supply or refill:

Outpatient N/A % /        % At Kaiser Pharmacy: \$2 co-pay, at designated

Prescription Drugs N/A % or \$        \* \* community pharmacy: \$7 co-pay

MAXIMUMS:

The insured will pay a maximum of \$ N/A out-of-pocket per year after which the plan will pay  
N/A % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ Unlimited.

The maximum employee contribution to the premium is \$ 50% of the employee rate.

DEDUCTIBLES AVAILABLE: No deductible

\$100      \$250      \$500      Other

PREMIUM RANGE: For 1988 - Fourth Quarter rates

Individual      \$ 69.52 minimum      \$ 73.34 maximum

Family      \$ 187.71 minimum      \$ 208.10 maximum

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ N/A.

\* copays for Prescription Drugs and Mental Health

CARRIER/ADMINISTRATOR: Kaiser Foundation Health Plan of North Carolina

CONTACT PERSON: Julie Dyer PHONE: (919) 878-9870

NAME OF PLAN: Plan 205

COMPANY FORM NUMBER: 107290 (Riders: 107295;107302;107302) NCMPGSA-88; NCRX2.7/88; NCDMEA/88;

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 11/16/87

GROUPS COVERED:

Groups as small as 1 0 persons are covered.

Medical underwriting is required for groups smaller than 1 0 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what At least one employee must enroll in our Plan

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_ Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_ Chiropractic Yes Limited No \_\_\_\_\_

Chemical Dependency Yes \_\_\_\_\_ No X Dental Yes \_\_\_\_\_ No X

Mental/Nervous Disorders Yes X No \_\_\_\_\_ Weekly Disability Yes \_\_\_\_\_ No X

Other benefits Preventive Care for Adult and children, Skilled Nursing and Home Health Care, Short Term Speech, Physical and Occupational Therapy, Optical, Prescription Drug coverage available.

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ All medical care must be

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ provided or arranged by

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 0 months. a Plan Physician

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on N / A % usual, customary and reasonable charges subject to deductible and copayment.

All covered benefits provided at no charge with no deductible, except for modest copays\*

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient N / A %/N / A % \*For up to a 30 day supply or refill:

Outpatient N / A %/N / A % At Kaiser pharmacy: \$2 co-pay; at designated

Prescription Drugs N / A % or \$ \* community pharmacy: \$7 co-pay

MAXIMUMS:

The insured will pay a maximum of \$ N / A out-of-pocket per year after which the plan will pay  
N / A % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ Unlimited.

The maximum employee contribution to the premium is \$ 50% of the employee rate.

DEDUCTIBLES AVAILABLE: No deductible

\$100 \$250 \$500 Other

PREMIUM RANGE: For 1988 - Fourth Quarter rates

Individual \$ 71.46 minimum \$ 75.39 maximum

Family \$ 192.95 minimum \$ 213.91 maximum

LIFE INSURANCE REQUIRED: Yes        No       

Minimum face amount required \$ N / A.

\* for Prescription Drugs, Mental Health and Optical coverage.

CARRIER/ADMINISTRATOR: Kaiser Foundation Health Plan of North Carolina  
CONTACT PERSON: Julie Dyer PHONE: (878-9870)  
NAME OF PLAN: Plan 208  
COMPANY FORM NUMBER: 107290 (Riders: 107296;107302;107307 )NCDMEA/88; NCRXO.5/88; NCMPGSA-88; NCOPPA/88  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 11/16/87

GROUPS COVERED:

Groups as small as 1 0 persons are covered.

Medical underwriting is required for groups smaller than 1 0 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what At least one employee must enroll in our Plan

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>Limited</u>	No _____
Chemical Dependency	Yes _____	No <u>X</u>	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>X</u>
Other benefits	Preventive Care for Adult and children, Skilled Nursing and Home Health Care, Short Term Speech, Physical and Occupational Therapy, Optical, Prescription Drug coverage available.				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ All medical Care must be

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ provided or arranged by

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 0 months. a Plan Physician

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on N / A % usual, customary and reasonable charges subject to deductible and copayment.

All covered benefits provided at no charge with no deductible, except for modest copay for Prescription Drugs, Mental Health, and Optical PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%) coverage.\*

Inpatient N / A %/ \_\_\_\_\_ % \*For up to a 30 day supply or refill:

Outpatient N / A %/ \_\_\_\_\_ % At Kaiser pharmacy: \$0 co-pay; at designated

Prescription Drugs N / A % or \$ \_\_\_\_\_ community pharmacy: \$5 co-pay

MAXIMUMS:

The insured will pay a maximum of \$ N / A out-of-pocket per year after which the plan will pay N / A % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ Unlimited.

The maximum employee contribution to the premium is \$ 50% of the employee rate.

DEDUCTIBLES AVAILABLE: No deductible

\$100 \$250 \$500 Other

PREMIUM RANGE: For 1988 - Fourth Quarter rates

Individual	\$ <u>72.75</u> minimum	\$ <u>76.75</u> maximum
Family	\$ <u>196.43</u> minimum	\$ <u>217.79</u> maximum

LIFE INSURANCE REQUIRED: Yes X No \_\_\_\_\_

Minimum face amount required \$ N / A.

\*Prescription Drugs, and Mental Health.

CARRIER/ADMINISTRATOR: Kaiser Foundation Health Plan of North Carolina  
CONTACT PERSON: Julie Dyer PHONE: (919) 878-9870  
NAME OF PLAN: Plan 210  
COMPANY FORM NUMBER 107290 (Riders: 107296;107302)  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 11/16/87 NCMPGSA-88;NCDMEA/88

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what At least one employee must enroll in our Plan

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes Limited No \_\_\_\_\_

Chemical Dependency Yes        No X \_\_\_\_\_

Dental Yes        No X \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes        No X \_\_\_\_\_

Other benefits Preventive Care for Adult and children, Skilled Nursing and Home Health Care, Short Term Speech, Physical and Occupational Therapy, Optical, Prescription Drug coverage available.

HOSPITAL PRECERTIFICATION REQUIRED: Yes        No        All medical care must be

SECOND SURGICAL OPINION PROGRAM: Yes        No        provided or arranged by

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 0 months. a Plan Physician

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on N / A % usual, customary and reasonable charges subject to deductible and copayment.

All covered benefits provided at no charge with no deductible, except for modest copays \*  
PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient N / A %/        % \*For up to a 30 day supply or refill:

Outpatient N / A %/        % At Kaiser pharmacy: \$0 co-pay; at designated

Prescription Drugs N / A % or \$        \* community pharmacy: \$5 co-pay

MAXIMUMS:

The insured will pay a maximum of \$ N / A out-of-pocket per year after which the plan will pay

N / A % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ Unlimited.

The maximum employee contribution to the premium is \$ 50% of the employee rate.

DEDUCTIBLES AVAILABLE: No deductible

\$100 \$250 \$500 Other

PREMIUM RANGE: For 1988 - Fourth Quarter rates

Individual \$ 70.81 minimum \$ 74.70 maximum

Family \$ 191.19 minimum \$ 211.98 maximum

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ N / A.

\*Prescription Drugs, Mental Health and Optical coverage.

CARRIER/ADMINISTRATOR: Life Insurance Company of GA/ Plan Services, Inc.

CONTACT PERSON: Debbie Clark

PHONE: ( 404 ) 980-5557

NAME OF PLAN: Health Care-Plus

COMPANY FORM NUMBER: 13099-T

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 8/12/87

**GROUPS COVERED:**

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 50 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what Groups of 2,3, and 4 participating employees, 100%; Groups of 5 or more participating employees 75%.

**BENEFITS OFFERED:**

Hospital Surgical Yes        No X

Maternity Yes X No       

Major Medical Yes X No       

Chiropractic Yes X No       

Chemical Dependency Yes X No       

Dental Yes X No       

Mental/Nervous Disorders Yes X No       

Weekly Disability Yes X No       

Other benefits Pharmaceutical card system (PCS)- option

Childbirth expense benefit - option

HOSPITAL PRECERTIFICATION REQUIRED: Yes        No X ( This is an option)

SECOND SURGICAL OPINION PROGRAM: Yes X No       

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on 85 % usual, customary and reasonable charges subject to deductible and copayment.

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient 75,80,100 %/ 25,20,0 %

Outpatient 75,80,100 %/ 25,20,0 %

Prescription Drugs 25,20,0 % or\$ 5.00 ( effective 10/1/88 If have PCS benefit)

**MAXIMUMS: (after deductible)**

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 188.12 ( max. premium range at 50% of 5/88 rates.)

**DEDUCTIBLES AVAILABLE:**

\$100 \$250 X \$500 150/200/300 Other

**PREMIUM RANGE:**

Individual \$ 18.12 minimum \$ 167.14 maximum

Family \$ 73.92 minimum \$ 376.23 maximum

LIFE INSURANCE REQUIRED: X Yes        No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Lincoln National Life Insurance Company  
CONTACT PERSON: Tom Morgan PHONE: ( 219 ) 427-4863  
NAME OF PLAN: Lincoln Group Trust  
COMPANY FORM NUMBER: GN-03200-52 12/87  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/30/88

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	_____				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 6 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ 5.00-0.00 for generic

MAXIMUMS:

The insured will pay a maximum of \$ 500 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ \_\_\_\_\_.

DEDUCTIBLES AVAILABLE:

X \$100      \_\_\_\_\_ \$250      X \$500      X Other

PREMIUM RANGE:

Individual	\$ <u>36</u> minimum	\$ <u>389</u> maximum
Family	\$ <u>116</u> minimum	\$ <u>703</u> maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Metropolitan Life Insurance Company  
CONTACT PERSON: Rita D'Ambrosio PHONE: ( 212 ) 578-5092  
NAME OF PLAN: Employee Benefit Plan - Economical Major Medical  
COMPANY FORM NUMBER: G 23000  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 5/4/83

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 16 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	under <u>5</u> Employ-
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	ees not avail.
Other benefits	<u>Additional Accident Exp. ; Medicare Suppl. or Medicare Carve-Out;</u>				
<u>Prescription Card Service; Well-Baby Nursery Care</u>					

\*HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 24 months. or 12 month treatment-free period,  
If earlier.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 70 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

\*Inpatient 70 %/ 30 %

\*Outpatient 70 %/ 30 %

Prescription Drugs 70 % or \$ 3.00 per prescription or refill If Prescription Card Service  
Option Included in plan.

MAXIMUMS:

2,000 Individual Plus deductible

The insured will pay a maximum of \$ 5000 Fam. out-of-pocket per year after which the plan will pay

95 % based on UCR of next \$40,000 and 100% thereafter.

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 75%.

DEDUCTIBLES AVAILABLE:<sup>\*\*\*</sup>

\$100 \$250 X \$500 \$200, 300, 700 Other 1,000, 2,500

PREMIUM RANGE:

Individual	\$ <u>44.83</u>	minimum	\$ <u>54.40</u>	maximum Rates representative
Family	\$ <u>143.03</u>	minimum	\$ <u>173.54</u>	maximum of \$200 ded. 70%/30%

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No  
Minimum face amount required \$ 10,000.

plan, based on male employees age 40-44. Family rates include employee, spouse, and one or more children.

\* If employer selects this option

\*\* 90%/10% coinsurance for certain cost containment features<sub>43</sub>

\*\*\* Additional deductible of 50% of semiprivate rate for first day of each hospital confinement

CARRIER/ADMINISTRATOR: Mid-South Insurance Company/ McDowell Agency, Inc

CONTACT PERSON: Steve McDowell PHONE: ( 803 ) 242-6012

NAME OF PLAN: P.E.P.

COMPANY FORM NUMBER: G-3000

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/27/83

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75%

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

Other benefits Optional Prescription Drug Card

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 10 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$Optional PDC

MAXIMUMS:

The insured will pay a maximum of \$ 1000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$x 50%.

DEDUCTIBLES AVAILABLE:

\$100 \$250 X \$500 \$150 and \$300 Other

PREMIUM RANGE:

Individual \$ 40 minimum \$ 200 maximum

Family \$ 135 minimum \$ 400 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5000.

CARRIER/ADMINISTRATOR: Mid-South Insurance Company

CONTACT PERSON: Mike Houser PHONE: ( 919 ) 483-3185

NAME OF PLAN: Planned Employer Protection, Economizer, Protector, True Group

COMPANY FORM NUMBER: G-3000

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/27/83

**GROUPS COVERED:**

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 4 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what Minimum of 75%

**BENEFITS OFFERED:**

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits Prescription Drug Card

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 10 months.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient 80 %/ 20 %

Outpatient 80-100 %/ 20-0 %

Prescription Drugs \_\_\_\_\_ % or \$ 4.00 ded.

**MAXIMUMS:**

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 75%.

**DEDUCTIBLES AVAILABLE:**

X \$100      X \$250      X \$500      X Other 1,000

**PREMIUM RANGE:**

Individual \$ 36 minimum \$ 131 maximum

Family \$ 101 minimum \$ 321 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5,000.

CARRIER/ADMINISTRATOR: Mid-South Insurance Company

CONTACT PERSON: BILL Falson PHONE: (919) 783-5020

NAME OF PLAN: The Protector

COMPANY FORM NUMBER: G-3000

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/27/93

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75%

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____

Other benefits Optional Prescription Drug Card

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 10 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ Optional PDC

MAXIMUMS:

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \_\_\_\_\_ Other

PREMIUM RANGE:

Individual      \$ 40 minimum      \$ 200 maximum

Family      \$ 140 minimum      \$ 400 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5,000.

CARRIER/ADMINISTRATOR: Mid-South Insurance Company  
CONTACT PERSON: J. Michael Houser PHONE: ( 919 ) 483-3185  
NAME OF PLAN: True Group  
COMPANY FORM NUMBER: G-3000  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/27/83

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75%

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits Prescription Drug Card - Optional

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 10 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or Optional PDC

MAXIMUMS:

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE:

X \$100

X \$250

X \$500

1,000 Other

PREMIUM RANGE:

Individual \$ 45 minimum

\$ N/A maximum

Family \$ 140 minimum

\$ N/A maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Mutual Benefit Life

CONTACT PERSON: Michael A. Richards PHONE: ( 816 ) 474-2841

NAME OF PLAN: UMEG (Upper Midwest Employers Group Insurance Trust)

COMPANY FORM NUMBER: GP-81

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/1/81

GROUPS COVERED:

Groups as small as 3 persons are covered.

Medical underwriting is required for ~~some smaller groups~~ ~~all groups~~ ~~except~~ all groups.\*

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% \* Some larger groups exempt.

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>Optional</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>Group Life, Optional Group Life, Group Long Term Disability, Pre-Certification and PPO plans</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ (Optional)

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_ (Voluntary)

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months treatment free, or 6 months insured as an employee, 12 months as a dependent.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient	<u>80</u>	% /	<u>20</u>	%
Outpatient	<u>80</u>	% /	<u>20</u>	%
Prescription Drugs	<u>80</u>	% or \$ _____	(MBL pays 100% for generic drugs, after deductible)	

MAXIMUMS: \*Loss limit varies by plan deductible: 500 or 1,000

The insured will pay a maximum of \$ \* out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ employer option.

DEDUCTIBLES AVAILABLE:

<u>X</u> \$100	<u>X</u> \$250	<u>X</u> \$500	Other
----------------	----------------	----------------	-------

PREMIUM RANGE:

Individual	\$ <u>35</u>	minimum	\$ <u>200+</u>	maximum
Family	\$ <u>120</u>	minimum	\$ <u>400+</u>	maximum

LIFE INSURANCE REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_

Minimum face amount required \$ 15,000 basic amount if Group Life option elected by employer.

CARRIER/ADMINISTRATOR: Mutual Benefit Life  
CONTACT PERSON: Michael A. Richards PHONE: (816) 474-2841  
NAME OF PLAN: Charter Series  
COMPANY FORM NUMBER: GP-81  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 6/1/81

GROUPS COVERED:

Groups as small as 3 persons are covered.

Medical underwriting is required for ~~group participation~~ all groups

Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what 75% of those not covered under another group plan.

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>Optional</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits <u>Group Life, Optional Group Life, Group Long Term Disability, Pre-Certification and PPO plans.</u>					

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ (Optional)

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_ (Voluntary)

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months treatment free, or 6 months insured as an employee, 12 months as a dependent..

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ \_\_\_\_\_ (MBL pays 100% for generic drugs, after deductible)

MAXIMUMS:

The insured will pay a maximum of \$ 400+ded out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ employer option.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \_\_\_\_\_ Other

PREMIUM RANGE:

Individual	\$ <u>35</u>	minimum	\$ <u>200+</u>	maximum
Family	\$ <u>120</u>	minimum	\$ <u>400+</u>	maximum

LIFE INSURANCE REQUIRED: Yes \_\_\_\_\_ No Employer Option

Minimum face amount required \$ 15,000 basic amount if Group Life option elected by employer.

CARRIER/ADMINISTRATOR: National Casualty Company

CONTACT PERSON: John O'Brien PHONE: ( 800 ) 325-8258

NAME OF PLAN: HealthGuard Plus

COMPANY FORM NUMBER: NCGG-MC01 & Riders NCGC-B0007 & B0008

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 2/4/88 and 11/23/87

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than - persons. **All policies are underwritten**

Any minimum participation requirements: Yes        No X

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical	Yes <u>      </u>	No <u>      </u>	Maternity	Yes <u>      </u>	Optional <u>      </u>	No <u>      </u>
Major Medical	Yes <u>X</u>	No <u>      </u>	Chiropractic	Yes <u>      </u>	X*	No <u>      </u>
Chemical Dependency	Yes <u>X*</u>	No <u>      </u>	Dental	Yes <u>      </u>	No <u>X</u>	
Mental/Nervous Disorders	Yes <u>X*</u>	No <u>      </u>	Weekly Disability	Yes <u>      </u>	No <u>X</u>	
Other benefits	* Subject to limitations					

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No       

SECOND SURGICAL OPINION PROGRAM: Yes X No       

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 24 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80\*\* % usual, customary and reasonable charges subject to deductible and copayment.

\*\* Some benefits are payable at 100%

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ \*\*\* \*\*\* optional feature Generic drugs paid at 100%

MAXIMUMS:

The insured will pay a maximum of \$ 4,000 out-of-pocket per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ N/A.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \$1,000/2,000 Other

PREMIUM RANGE:

Individual      \$ 386 minimum      \$ 1,288 maximum

Family      \$ 769 minimum      \$ 2,537 maximum

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: National Health Insurance Company  
CONTACT PERSON: Thomas O. Duvall PHONE: ( 817 ) 640-3411  
NAME OF PLAN: Group Hospital Surgical  
COMPANY FORM NUMBER: USA-1-C  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: July 11, 1988

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 15 persons.

Any minimum participation requirements: Yes        No X  
if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes _____	No _____	Chiropractic	Yes _____	No <u>X</u>
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>X</u>
Other benefits	_____				

(Optional)

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 24 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient	<u>100</u>	%/ <u>0</u> %
Outpatient	<u>100</u>	%/ <u>0</u> %
Prescription Drugs	<u>N/A</u>	% or \$ _____

MAXIMUMS: \$500 to \$5,000 depending on the

The insured will pay a maximum of \$ deductible out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 5,000,000.

The maximum employee contribution to the premium is \$ 100%.

DEDUCTIBLES AVAILABLE:	<u>\$100</u>	<u>\$250</u>	<u>X</u> <u>\$500</u>	<u>\$750, \$1,000, \$1,500</u>
				<u>\$2,500, \$5,000</u> Other

PREMIUM RANGE:	<u>monthly</u>	<u>monthly</u>
Individual	<u>\$ 12.10</u> minimum	<u>\$ 144.50</u> maximum
Family	<u>\$ 28.00</u> minimum	<u>\$ 370.70</u> maximum

LIFE INSURANCE REQUIRED: Yes X No  
Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: Nationwide Life Insurance Company

CONTACT PERSON: Brian D. Ball PHONE: ( 614 ) 249-8360

NAME OF PLAN: Employee Family Plan (EFP) (2-9 employees)

COMPANY FORM NUMBER: GR 6000

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: July 1, 1983

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what 75%

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>Prescription Drug, Vision</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 6 months. Employee  
12 months Dependent

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 % Except psychiatric care which is 50%

Prescription Drugs 80 % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ \*\* out-of-pocket per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 75% of monthly premium

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \$50 Increments  
to \$500 Other

PREMIUM RANGE:

Individual	\$ _____	minimum	\$ _____	maximum
Family	\$ _____	minimum	\$ _____	maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: NEW YORK LIFE INSURANCE COMPANY/ HEALTH PLANS, Inc.

CONTACT PERSON: Caroline Kraft PHONE: ( 212 ) 576-5820

NAME OF PLAN: Employer Group Insurance Systems Trust (EGIS)

COMPANY FORM NUMBER: Policy form GCB and GRP

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: GCB forms approved on 6/18/87  
GRP forms approved on 1/12/82

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 15 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100% on Non-contributory plans; 2-5 employees: 100%; 6-14 employees: 85%; 15+ employees: 75%

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

Other benefits Prescription Drug, Hospice, PAUR, Home Health Care, Cost Containment, Accidental Injury, Pre-Admission Testing

HOSPITAL PRECERTIFICATION REQUIRED: Yes \* No \_\_\_\_\_

\* Optional

SECOND SURGICAL OPINION PROGRAM: Yes \* No \_\_\_\_\_

\* The first \$100 of charges for

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 0 months.

Second Surgical Opinion

are covered.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/20 %

Outpatient 80 %/20 %

Prescription Drugs \* % or \$ 6.00 non-generic

\* When under 3.00 generic

MAXIMUMS: Major Medical, 80%/20%

The insured will pay a maximum of \$ \*\* out-of-pocket per year after which the plan will pay

100 % based on UCR

\*\* A choice of:

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

\$2,000 family

The maximum employee contribution to the premium is \$ 50%.

\$1,000 family

\$4,000 family

DEDUCTIBLES AVAILABLE:

X \$100

X \$250

X \$500

\$1,000 Other

\$ 200

PREMIUM RANGE:

Individual \$ 32 minimum

\$ 191 maximum

Family \$ 88 minimum

\$ 491 maximum

LIFE INSURANCE REQUIRED: X Yes        No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: New York Life Insurance Company/Hillhouse Associates Insurance, Inc.

CONTACT PERSON: Caroline Kraft PHONE: ( 212 ) 576-4625

NAME OF PLAN: The Employers Security Trust (TEST)

COMPANY FORM NUMBER: Policy form GCB et. al and GRP et. al

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: GCB forms approved on 6/18/81;  
GRP forms approved on 1/12/82

GROUPS COVERED:

Groups as small as \* persons are covered. \* 1-Associations; 2 - Non-Associations

Medical underwriting is required for groups smaller than 15 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% above 10; 6-9 employees can exclude 1; 5 and under - 100% participation.

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits Life, Dependent Life, and Vision

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X \* No \_\_\_\_\_ \* Most plans

SECOND SURGICAL OPINION PROGRAM: Yes X \* No \_\_\_\_\_ \*Available, not mandatory

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs \* % or \$4.00/6.00 generic/non-generic if on PCS drug plan

\*80%/20% when under Major Medical

MAXIMUMS:

The insured will pay a maximum of \$ \* out-of-pocket per year after which the plan will pay

100 % based on UCR \* \$1,000; \$1,500; or \$2,000 depending on plan

The maximum the plan will pay in a insured's lifetime is \$ Unlimited.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE: \$150; \$200; \$300; \$500; \$1,000 and \$2,000

\$100 \$250 \$500 Other

PREMIUM RANGE:

Individual \$ 19.44 minimum \$ 216.88 maximum

Family \$ 44.34 minimum \$ 182.87 maximum

LIFE INSURANCE REQUIRED: X Yes        No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: N.C. Home Builders Health Benefit Trust/Carolina Administrators

CONTACT PERSON: Ann Person PHONE: (919) 833-4613

NAME OF PLAN: N.C. Home Builders Health Benefit Trust

COMPANY FORM NUMBER: Trust 30

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: May 1984

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what 100% less than 10; 75% more than 10

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80/20 % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ employer established

DEDUCTIBLES AVAILABLE: \$200

X \$100      X \$250      X \$500      \$300 Other

PREMIUM RANGE: \$100 deductible

Individual \$ 40.80 minimum \$ 252.90 maximum

Family \$ 128.50 minimum \$ 429.30 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5,000.

CARRIER/ADMINISTRATOR: Pan-American Life Insurance Company

CONTACT PERSON: A. Michael Wilson PHONE: ( 504 ) 566-3331

NAME OF PLAN: Preferred Employee Group

COMPANY FORM NUMBER: GER-1986-MP-1

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: \_\_\_\_\_

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100%

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>Supplemental Accident</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.  
(Out patient mental and nervous payable at 50%)

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient	<u>80</u> %/	<u>20</u> %
Outpatient	<u>80</u> %/	<u>20</u> % (50% co-payments for out-patient mental and nervous)
Prescription Drugs	% or \$ <u>3.00</u> (generic/\$5.00 name brand deductible per prescription)	

MAXIMUMS:

The insured will pay a maximum of \$ 2,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000 \*.

The maximum employee contribution to the premium is \$ 0 % for employee coverage  
100% for dependent coverage

DEDUCTIBLES AVAILABLE:

<u>X</u> \$100	<u>X</u> \$250	<u>X</u> \$500	<u>\$150</u> Other
			<u>200</u>
			<u>300</u>

PREMIUM RANGE:

Individual	\$ <u>60.00</u> minimum	\$ <u>95.00</u> maximum
Family	\$ <u>110.00</u> minimum	\$ <u>200.00</u> maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

\* Mental and nervous limited to \$10,000 lifetime maximum: chemical dependency payable in accordance with North Carolina Statute 58-2518 Chem.

CARRIER/ADMINISTRATOR: Principal Mutual Life Insurance Company

CONTACT PERSON: Sheila M . Caudle PHONE: ( 515 ) 248-3027

NAME OF PLAN: PEP - Planned Employee Program

COMPANY FORM NUMBER: GC 100

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 5/24/82

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% for contributory cases; 100% for non-contributory

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

Other benefits Long Term Disability ; Prescription Drugs

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ (Optional)

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs \_\_\_\_\_ % or \$ 3 or \$ 5

MAXIMUMS:

The insured will pay a maximum of \$ \_\_\_\_\_ \* out-of-pocket per year after which the plan will pay <sup>\*Varies</sup> according to 100 % based on UCR deductible option

The maximum the plan will pay in a insured's lifetime is \$ unlimited.

The maximum employee contribution to the premium is \$ 100%.

DEDUCTIBLES AVAILABLE:

X \$100      \$250      X \$500      X Other

PREMIUM RANGE:

Individual \$ 45.49 minimum \$ 64.03 maximum

Family \$ 106.28 minimum \$ 160.02 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 15,000.

CARRIER/ADMINISTRATOR: Principal Mutual Life Insurance Company  
CONTACT PERSON: Shella M. Caudle PHONE: ( 515 ) 248-3027  
NAME OF PLAN: PG- Pooled Group  
COMPANY FORM NUMBER: GC - 552-1  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 9/28/87

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% for contributory plans; 100% for non-contributory

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Other benefits Long Term Disability; Prescription Drug; Vision

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ (Optional)

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 70 or 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80/70 %/ 20/30 %

Outpatient 80/700 %/ 20/30 %

Prescription Drugs \_\_\_\_\_ % or \$1, \$2, \$3, \$4 or \$5

MAXIMUMS:

The insured will pay a maximum of \$ \* out-of-pocket per year after which the plan will pay 100 % based on UCR \*Varies according to deductible option

The maximum the plan will pay in a insured's lifetime is \$ Unlimited.

The maximum employee contribution to the premium is \$ 100%.

DEDUCTIBLES AVAILABLE:

X \$100      \_\_\_\_\_ \$250      X \$500      X Other

PREMIUM RANGE:

Individual	\$ <u>51.52</u> minimum	\$ <u>78.94</u> maximum
Family	\$ <u>119.40</u> minimum	\$ <u>196.80</u> maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5,000.

CARRIER/ADMINISTRATOR: Protective Life Insurance Company  
CONTACT PERSON: Charles Gardner PHONE: ( 205 ) 868-3730  
NAME OF PLAN: Pro-Health  
COMPANY FORM NUMBER: GP-500/501  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 10/6/86

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes \_\_\_\_\_ No \_\_\_\_\_  
if so, what 75% subject to 10 life minimum

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_  
Major Medical Yes X No \_\_\_\_\_  
Chemical Dependency Yes X No \_\_\_\_\_  
Mental/Nervous Disorders Yes X No \_\_\_\_\_  
Other benefits \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_  
Chiropractic Yes X No \_\_\_\_\_  
Dental Yes X No \_\_\_\_\_  
Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3-12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %  
Outpatient 80 %/ 20 %  
Prescription Drugs 80 % or \$ -----

MAXIMUMS:

The insured will pay a maximum of \$ \_\_\_\_\_ out-of-pocket per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ \_\_\_\_\_.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      Other

PREMIUM RANGE: Premium rates vary according to the characteristics and plan design of each group.

Individual \$ \_\_\_\_\_ minimum      \$ \_\_\_\_\_ maximum  
Family \$ \_\_\_\_\_ minimum      \$ \_\_\_\_\_ maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 5,000.

CARRIER/ADMINISTRATOR: Provident Life and Accident Insurance Company  
CONTACT PERSON: Eva LaLoude PHONE: (615) 755-8340  
NAME OF PLAN: Long Term Care Policy  
COMPANY FORM NUMBER: F-64100  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 10/28/87

GROUPS COVERED:

Groups as small as 20 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what Non-Contributory Plan - 100% Contributory Plan 75%

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>In-hospital physician, anesthetic, home health care, hospice care lab and x-ray, x-ray and radiation therapy, supplemental accident, prescription</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months. with no expenses or  
12 months, whichever is earlier

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on \* % usual, customary and reasonable charges subject to deductible and copayment.  
\* 35%, 80% or 75%

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient Varies %/Varies %  
Outpatient Varies %/Varies %  
Prescription Drugs Varies % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ 500-2500 out-of-pocket per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 250,000 unlimited

The maximum employee contribution to the premium is \$ 90%.

DEDUCTIBLES AVAILABLE:

\$100      \$250      \$500      \$50 - \$300 Other

PREMIUM RANGE: \*\*Premiums are determined by the plan design of the group, the age/sex distribution of the group and the cost area in which the group is located.

Individual	\$ <u>**</u> minimum	\$ <u>**</u> maximum
Family	\$ <u>**</u> minimum	\$ <u>**</u> maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 7,500.

CARRIER/ADMINISTRATOR: Prucare of Charlotte (HMO)

CONTACT PERSON: Robert C. Ward

PHONE: ( 704 ) 365-6070

NAME OF PLAN: HMO

COMPANY FORM NUMBER: PHCP-CHBA, PHCP-CHBC

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: All were approved Initially on 3/11/85 when our state license was granted

GROUPS COVERED:

Groups as small as 20 persons are covered.

Medical underwriting is required for groups smaller than N/A persons.

Any minimum participation requirements: Yes        No X

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes        No X

Other benefits \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes        No X

SECOND SURGICAL OPINION PROGRAM: Yes        No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 0 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 0 %/ 0 %

\$5.00 Office Visit (\$15 after hours)

Outpatient 0 %/        %

Prescription Drugs        % or \$ \$3.00

MAXIMUMS:

The insured will pay a maximum of \$ N/A out-of-pocket per year after which the plan will pay        % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ No Limit.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE: (Not Applicable - HMO)

       \$100

       \$250

       \$500

       Other

PREMIUM RANGE: Estimate

Individual \$ 65.00 minimum \$ 95.00 maximum

Family \$ 195.00 minimum \$ 350.00 maximum

LIFE INSURANCE REQUIRED:        Yes X No

Minimum face amount required \$ \_\_\_\_\_ .

CARRIER/ADMINISTRATOR: Reserve Life Insurance Company/Alpha-Data Systems, Inc.

CONTACT PERSON: Maggie Eastwood PHONE: (800) 843-6212

NAME OF PLAN: Reserved Insured Trust for Employers

COMPANY FORM NUMBER: PGC86

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 9/9/87

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than 6 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical Yes \_\_\_\_\_ No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chemical Dependency Yes \_\_\_\_\_ No \_\_\_\_\_

Mental/Nervous Disorders Yes \_\_\_\_\_ No \_\_\_\_\_

Other benefits \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Chiropractic Yes \_\_\_\_\_ No \_\_\_\_\_

Dental Yes \_\_\_\_\_ No \_\_\_\_\_

Weekly Disability Yes X No \_\_\_\_\_

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80 % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ 1000 ded+out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 289.35.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      Other \_\_\_\_\_

PREMIUM RANGE:

Individual \$ 24.60 minimum \$ 169.70 maximum

Family \$ 49.20 minimum \$ 385.80 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Southland Life Insurance Company  
CONTACT PERSON: Jack A. Roller PHONE: ( 214 ) 403-2702  
NAME OF PLAN: American Employers Council Trust Fund  
COMPANY FORM NUMBER: 11842-11-86  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 1-23-87

GROUPS COVERED:

Groups as small as 2 persons are covered.  
Medical underwriting is required for groups smaller than All persons.  
Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what 75% of Eligible

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u> on optional basis
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u> No _____
Chemical Dependency	Yes <u>Alcohol but not drugs</u>		Dental	Yes _____ No <u>X</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u> No _____
Other benefits	<u>None</u>			

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X  
SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X  
WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3-6-12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:  
Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)  
Inpatient 80 %/ 20 %  
Outpatient 80 %/ 20 %  
Prescription Drugs 20 % or \$ \_\_\_\_\_

MAXIMUMS: 1,200 or  
The insured will pay a maximum of \$ 1,500 out-of-pocket per year after which the plan will pay 100 % based on UCR  
The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.  
The maximum employee contribution to the premium is \$ variable.

DEDUCTIBLES AVAILABLE:  
\$100 \$250 \$500 X Other \$200

PREMIUM RANGE:  
Individual \$ 43.20 minimum \$ 190.35 maximum  
Family \$ 132.20 minimum \$ 391.50 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No  
Minimum face amount required \$ 10,000.00.

CARRIER/ADMINISTRATOR: Star Marketing and Administration  
CONTACT PERSON: Fred Schlick PHONE: ( 312 ) 274-8100  
NAME OF PLAN: Med Star  
COMPANY FORM NUMBER: M885C-33  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 7-17-86

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 15 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75%

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>All standard group benefits</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 6 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient	<u>80</u>	%/	<u>20</u>	%
Outpatient	<u>80</u>	%/	<u>20</u>	%
Prescription Drugs	<u>80</u>	% or \$		

MAXIMUMS:

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay \_\_\_\_\_ % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ 50%.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      X Other \$1,000

PREMIUM RANGE:

Individual	\$ <u>20.00</u>	minimum	\$ <u>180.00</u>	maximum
Family	\$ <u>60.00</u>	minimum	\$ <u>360.00</u>	maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.00.

CARRIER/ADMINISTRATOR: State Mutual  
CONTACT PERSON: Ronald Aseltine PHONE: ( 508 ) 852-1000, ext. 2569  
NAME OF PLAN: MBA - Multiple Benefit Advantage  
COMPANY FORM NUMBER: GC2000-1-86  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: September 26, 1986

GROUPS COVERED:

Groups as small as 10 persons are covered.

Medical underwriting is required for groups smaller than \* persons. \* no medical underwriting

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what If non-contributory then 100%, If employee contributes it can't be less than 75%.

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>Cost Containment Benefits, preventive care packages.</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes        No X optional

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 100, 80 %/ 0, 20 %

Outpatient 100, 80, 50 %/ 0, 20, 50 %

Prescription Drugs \_\_\_\_\_ % or \$ 0-7 depending on: option chosen by employer, whether it is patented or generic

MAXIMUMS:

The insured will pay a maximum of \$ 2,800 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ no maximum.

The maximum employee contribution to the premium is \$ 75.

DEDUCTIBLES AVAILABLE:

<u>X</u> \$100	<u>X</u> \$250	<u>X</u> \$500	<u>X</u> Other \$50, \$150, \$200, \$300, and \$1000
----------------	----------------	----------------	--

PREMIUM RANGE:

Individual	\$ _____	minimum	\$ _____	maximum	premium varies
Family	\$ _____	minimum	\$ _____	maximum	according to plan design and deductibles chosen

LIFE INSURANCE REQUIRED: X Yes        No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: The Guardian Life Insurance Company of America  
CONTACT PERSON: Mr. C. T. Lappas PHONE: (212) 951-3146  
NAME OF PLAN: Regular Plan  
COMPANY FORM NUMBER: GP-1  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 1/16/57

GROUPS COVERED:

Groups as small as 1 persons are covered.  
Medical underwriting is required for groups smaller than 10 persons.  
Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what For non-medical Issue 75%

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes <u>X</u>	No _____
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes <u>X</u>	No _____
Other benefits	<u>Long Term disability; drug card</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X (but it is available)  
SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_ (optional)  
WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3/6/12 months. (waived on transferred business)

REIMBURSEMENT OF MEDICAL EXPENSES:  
Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)  
Inpatient 80 %/ 20 %  
Outpatient 80 %/ 20 % **Coinsurance is optional**  
Prescription Drugs \_\_\_\_\_ % or \$0 2.00

MAXIMUMS:  
The insured will pay a maximum of \$ varles out-of-pocket per year after which the plan will pay 100 % based on UCR  
The maximum the plan will pay in a insured's lifetime is \$ unlimited.  
The maximum employee contribution to the premium is \$ optional, but usually 50% is max

DEDUCTIBLES AVAILABLE:  
X \$100      X \$250      X \$500      X Other

PREMIUM RANGE:  
Individual \$ \_\_\_\_\_ minimum \$ \_\_\_\_\_ maximum  
Family \$ \_\_\_\_\_ minimum \$ \_\_\_\_\_ maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No  
Minimum face amount required \$ 15,000.

CARRIER/ADMINISTRATOR: The Lewer Agency, Inc. (Administrator)  
CONTACT PERSON: William W. Busch PHONE: ( 816 ) 753-4390  
NAME OF PLAN: TLA Group Insurance Trust  
COMPANY FORM NUMBER: MCP-81, MCB-81 and MCC-81  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: October 7, 1981  
Carrier: General American Life Insurance Company, St. Louis, Missouri

GROUPS COVERED:

Groups as small as 1 persons are covered. Must be employer with a sponsoring marketing  
Medical underwriting is required for groups smaller than \_\_\_\_\_ persons.  
Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what 100% If less than 4 eligible employees, Otherwise, 75%

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes _____	No <u>X</u>	Weekly Disability	Yes _____	No <u>X</u>
Other benefits	<u>Group Life Insurance,</u> <u>Accidental Death and Dismemberment</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes        No X

SECOND SURGICAL OPINION PROGRAM: Yes        No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3 months. w/o treatment or medication.  
Otherwise, 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient	<u>80</u>	% /	<u>20</u>	%
Outpatient	<u>80</u>	% /	<u>20</u>	%
Prescription Drugs	<u>80</u>	% or \$		

MAXIMUMS: 1,500 Plan A

The insured will pay a maximum of \$ 2,500 Plan B out-of-pocket per year after which the plan will pay  
100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ Plan requires minimum employer contribution of 25%

DEDUCTIBLES AVAILABLE:

<u>\$100</u>	<u>X</u>	<u>\$250</u>	<u>\$500</u>	<u>\$150</u>	Other
(Plan B)					

PREMIUM RANGE:	Plan B	Plan A			
Individual	\$ <u>52.50</u>	minimum	\$ <u>101.65</u>	maximum	Ind. Min. \$62.45
Family	\$ <u>153.05</u>	minimum	\$ <u>273.00</u>	maximum	Ind. Max 132.75 Fam. Min. \$171.05 Fam Max. \$357.50

LIFE INSURANCE REQUIRED: X Yes        No

Minimum face amount required \$ 10,000. (Included in premiums above)  
(\$2,500 dependents)

CARRIER/ADMINISTRATOR: The Paul Revere Life Insurance Company

CONTACT PERSON: Laura Zoldak, Compliance Consult. PHONE: ( 508 ) 799-4441

NAME OF PLAN: G-6 Series CMEB

COMPANY FORM NUMBER: PG60001 (medical benefit)

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 10/11/82

GROUPS COVERED:

Groups as small as 15 persons are covered. (true group)

Medical underwriting is required for groups smaller than 25 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 75% for contributory plans/100% noncontributory

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes <u>X</u>	No _____
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>Optional</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>Optional</u>
Other benefits	<u>Many options available to make plan even more comprehensive.</u>				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 3/12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 %

Outpatient 80 %/ 20 %

Prescription Drugs 80/20 % or \$ 2-5

MAXIMUMS:

The insured will pay a maximum of \$ 1,000 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ \_\_\_\_\_.

DEDUCTIBLES AVAILABLE:

X \$100

X \$250

X \$500

X Other

PREMIUM RANGE:

Individual	\$ <u>60</u> minimum	\$ <u>80</u> maximum
Family	\$ <u>150</u> minimum	\$ <u>200</u> maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No \_\_\_\_\_ with medical, not dental or weekly income only  
Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: The Pyramid Life Insurance Company

CONTACT PERSON: Mr. Terrence G. Dressman

PHONE: ( 913 ) 722-1110 ext. 134

NAME OF PLAN: Priority 1-A Comprehensive Major Medical

COMPANY FORM NUMBER: G-31-I

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 2/10/87

GROUPS COVERED:

Groups as small as 3 persons are covered.

Medical underwriting is required for groups smaller than 25 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_  
if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_

Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_

Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_

Dental Yes \_\_\_\_\_ No X \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_

Weekly Disability Yes \_\_\_\_\_ No X \_\_\_\_\_

Other benefits \$0 accident deductible

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 24 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 80 % usual, customary and reasonable charges subject to deductible and copayment.  
Years 1 and 2, 85% years 3 and thereafter \$5,000 and \$15,000 copayment limits available

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80 %/ 20 % Years 1 & 2 15% thereafter

Outpatient 80 %/ 20 % Years 1 & 2 15% thereafter

Prescription Drugs 80 % or \$ N/A

MAXIMUMS:

The insured will pay a maximum of \$ 1,300 out-of-pocket per year after which the plan will pay  
100 % based on UCR \$300 deductible (varies by deductible)

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ 100%.

DEDUCTIBLES AVAILABLE:

<u>N/A</u>	\$100	<u>\$300</u>	\$250	<u>\$600</u>	\$500	<u>\$1,200/2,400</u>	Other \$5,000/10,000
						*Female, age 20, \$10,000 deductible, \$15,000 copay	

PREMIUM RANGE:

Individual	\$ <u>125*</u>	minimum	\$ <u>1,638 **</u>	maximum	** Male, age 64, \$300
------------	----------------	---------	--------------------	---------	------------------------

Family	\$ <u>298+</u>	minimum	\$ <u>3,377++</u>	maximum	deductible, \$5,00
--------	----------------	---------	-------------------	---------	--------------------

+Male, female age 20, 1 child, \$10,000 deductible, \$15,000 copayment

LIFE INSURANCE REQUIRED: Yes X No \_\_\_\_\_

Minimum face amount required \$ \_\_\_\_\_.

++ Male, female age 64, 1 child, \$300 deductible, \$5,000 copayment

CARRIER/ADMINISTRATOR: Time Insurance Company

CONTACT PERSON: Kathy A. Peterman PHONE: ( 414 ) 277-4752

NAME OF PLAN: SigMet I

COMPANY FORM NUMBER: 17215

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 9/10/87

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for ~~group participation~~ all persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100% for life. Can waive medical if covered by another plan.

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes _____	No <u>Optional</u>
-------------------	--------------	----------	-----------	-----------	--------------------

Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes _____	No _____
---------------	--------------	----------	--------------	-----------	----------

Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>Optional</u>
---------------------	--------------	----------	--------	-----------	--------------------

Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>Optional</u>
--------------------------	--------------	----------	-------------------	-----------	--------------------

Other benefits Room and board based on semi-private rates, \$500 accidental medical benefit, organ transplant coverage, conversion privilege

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%) Varies according to deductible amount selected.

Inpatient \_\_\_\_\_ % / \_\_\_\_\_ %

Outpatient \_\_\_\_\_ % / \_\_\_\_\_ %

Prescription Drugs \_\_\_\_\_ % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ varies out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ Employer must pay 100% of employees portion.  
Employee could pay up to 100% of dependent portion.

DEDUCTIBLES AVAILABLE:

<u>X</u> \$100	<u>X</u> \$250	<u>X</u> \$500	Other
----------------	----------------	----------------	-------

PREMIUM RANGE:

Individual	\$ <u>33/month</u> minimum	\$ <u>169/month</u> maximum
------------	----------------------------	-----------------------------

Family	\$ <u>111/month</u> minimum	\$ <u>161/month</u> maximum
--------	-----------------------------	-----------------------------

family does not include employee portion

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Time Insurance Company

CONTACT PERSON: Kathy A. Peterman

PHONE: ( 414 ) 277-4752

NAME OF PLAN: SigMet II

COMPANY FORM NUMBER: 17206

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE:

9/10/87

GROUPS COVERED:

Groups as small as 2 persons are covered.

Medical underwriting is required for groups smaller than all persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100% for life. Can waive medical if covered by another plan.

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No _____	Maternity	Yes _____	No <u>Optional</u>
Major Medical	Yes <u>X</u>	No _____	Chiropractic	Yes <u>X</u>	No _____
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>Optional</u>
Mental/Nervous Disorders	Yes <u>X</u>	No _____	Weekly Disability	Yes _____	No <u>Optional</u>

Other benefits Room and board based on semi-private rates, \$500 accidental medical benefit, organ transplant coverage, conversion privilege. Some benefits are paid at 100%

HOSPITAL PRECERTIFICATION REQUIRED: Yes X No \_\_\_\_\_

SECOND SURGICAL OPINION PROGRAM: Yes X No \_\_\_\_\_

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%) Varies according to deductible amount selected.

Inpatient        % /        %

Outpatient        % /        %

Prescription Drugs        % or \$       

MAXIMUMS:

The insured will pay a maximum of \$ varies out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ Employer must pay 100% of employees portion.

Employee could pay up to 100% of dependent portion.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      \_\_\_\_\_ Other

Premium Range:

Individual \$ 33/month minimum \$ 169/month maximum

Family \$ 111/month minimum \$ 161/month maximum family does not include employee portion

FACE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.

CARRIER/ADMINISTRATOR: Transport Life Insurance Company  
CONTACT PERSON: V. Ann Smith PHONE: ( 800 ) 433-7090  
NAME OF PLAN: Group Catastrophic Hospital Expenses  
COMPANY FORM NUMBER: 10788-NC(1)  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 8/15/88

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 15 persons.

Any minimum participation requirements: Yes        No X

if so, what \_\_\_\_\_

BENEFITS OFFERED:

Hospital Surgical	Yes <u>X</u>	No <u>      </u>	Maternity	Yes <u>X</u>	C <u>      </u>	na <u>      </u>
Major Medical	Yes <u>      </u>	No <u>      </u>	X	Chiropractic	Yes <u>      </u>	No <u>      </u>
Chemical Dependency	Yes <u>X</u>	No <u>      </u>	Dental	Yes <u>      </u>	No <u>X</u>	
Mental/Nervous Disorders	Yes <u>      </u>	No <u>X</u>	Weekly Disability	Yes <u>      </u>	No <u>X</u>	
Other benefits	_____					

HOSPITAL PRECERTIFICATION REQUIRED: Yes        No X

SECOND SURGICAL OPINION PROGRAM: Yes X No        (but not required)

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 24 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient \_\_\_\_\_ % / \_\_\_\_\_ %

Outpatient \_\_\_\_\_ % / \_\_\_\_\_ %

Prescription Drugs \_\_\_\_\_ % or \$ \_\_\_\_\_

MAXIMUMS:

The insured will pay a maximum of \$ 0 out-of-pocket per year after which the plan will pay 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ 2,000,000.

The maximum employee contribution to the premium is \$ N/A.

DEDUCTIBLES AVAILABLE:

<u>\$100</u>	<u>\$250</u>	<u>\$500</u>	<u>X</u>	Other \$ <u>0, 300, 600,</u> <u>900, 1200, 1800,</u> <u>2400, 6000, 12,000,</u> <u>24,000</u>
Individual	\$ <u>60</u>	minimum	\$ <u>4,164</u>	maximum
Family	\$ <u>36</u>	minimum	\$ <u>456</u>	maximum

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: Transport Life Insurance Company

CONTACT PERSON: V. Ann Smith PHONE: ( 800 ) 433-7090

NAME OF PLAN: Group Long Term Care

COMPANY FORM NUMBER: 10770-NC

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 3/11/87

**GROUPS COVERED:**

Groups as small as \_\_\_\_\_ \* persons are covered. \*association group

Medical underwriting is required for groups smaller than all persons.

Any minimum participation requirements: Yes \_\_\_\_\_ No X

if so, what \_\_\_\_\_

**BENEFITS OFFERED:**

Hospital Surgical	Yes _____	No <u>X</u>	Maternity	Yes _____	No <u>X</u>
Major Medical	Yes _____	No <u>X</u>	Chiropractic	Yes _____	No <u>X</u>
Chemical Dependency	Yes <u>X</u>	No _____	Dental	Yes _____	No <u>X</u>
Mental/Nervous Disorders	Yes _____	No <u>X</u>	Weekly Disability	Yes _____	No <u>X</u>

Other benefits Nursing Home Care, Home Health Care

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No X

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No X

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 6 months.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on N/A % usual, customary and reasonable charges subject to deductible and copayment.

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient \_\_\_\_\_ %/\_\_\_\_\_ %

Outpatient \_\_\_\_\_ %/\_\_\_\_\_ %

Prescription Drugs \_\_\_\_\_ % or \$ \_\_\_\_\_

**MAXIMUMS:**

The insured will pay a maximum of \$ 0 out-of-pocket per year after which the plan will pay  
N/A % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ \_\_\_\_\_.

The maximum employee contribution to the premium is \$ \_\_\_\_\_.

**DEDUCTIBLES AVAILABLE:**

\$100                    \$250                    \$500                    Other

**PREMIUM RANGE:**

Individual	\$ <u>72.48</u>	minimum	\$ <u>2,199.84</u>	maximum
Family	\$ <u>N/A</u>	minimum	\$ <u>N/A</u>	maximum

LIFE INSURANCE REQUIRED: Yes X No

Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: Transport Life Insurance Company

CONTACT PERSON: V. Ann Smith PHONE: ( 800 ) 433-7090

NAME OF PLAN: Group Major Hospital Expense

COMPANY FORM NUMBER: 10789-NC(1)

DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 8/15/88

**GROUPS COVERED:**

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 15 persons.

Any minimum participation requirements: Yes \_\_\_\_\_ No \_\_\_\_\_

if so, what \_\_\_\_\_

**BENEFITS OFFERED:**

Hospital Surgical	Yes <input checked="" type="checkbox"/>	No _____	Maternity	Yes <input checked="" type="checkbox"/> <b>OPTIONAL</b>	No _____
Major Medical	Yes _____	No <input checked="" type="checkbox"/>	Chiropractic	Yes _____	No <input checked="" type="checkbox"/>
Chemical Dependency	Yes <input checked="" type="checkbox"/>	No _____	Dental	Yes _____	No <input checked="" type="checkbox"/>
Mental/Nervous Disorders	Yes _____	No <input checked="" type="checkbox"/>	Weekly Disability	Yes _____	No <input checked="" type="checkbox"/>
Other benefits	_____				

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No

SECOND SURGICAL OPINION PROGRAM: Yes  No \_\_\_\_\_ (but not required)

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: 24 months.

**REIMBURSEMENT OF MEDICAL EXPENSES:**

Paid based on 100 % using ~~Actual charges subject to deductible and copayment.~~

**PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)**

Inpatient N/A %/\_\_\_\_\_ %

Outpatient N/A %/\_\_\_\_\_ %

Prescription Drugs N/A % or \$ \_\_\_\_\_

**MAXIMUMS:**

The insured will pay a maximum of \$ 0 out-of-pocket per year after which the plan will pay 100 % based on ~~Actual charges.~~

The maximum the plan will pay in a insured's lifetime is \$ 1,000,000.

The maximum employee contribution to the premium is \$ N/A.

**DEDUCTIBLES AVAILABLE:**

<u>\$100</u>	<u>\$250</u>	<u>\$500</u>	<u>Other \$200, 400, 600, 800, 1000</u>
--------------	--------------	--------------	---

**PREMIUM RANGE:**

Individual	\$ <u>108.00</u>	minimum	\$ <u>2,364.00</u>	maximum
Family	\$ <u>48.00</u>	minimum	\$ <u>348.00</u>	maximum

LIFE INSURANCE REQUIRED: Yes  No

Minimum face amount required \$ \_\_\_\_\_.

CARRIER/ADMINISTRATOR: United States Life Insurance Company  
CONTACT PERSON: Lawrence Halpern PHONE: ( 201 ) 938-6090  
NAME OF PLAN: Group Term Life and Accident and Health Insurance  
COMPANY FORM NUMBER: G-19000  
DATE APPROVED BY N.C. DEPARTMENT OF INSURANCE: 4/30/87

GROUPS COVERED:

Groups as small as 1 persons are covered.

Medical underwriting is required for groups smaller than 10 persons.

Any minimum participation requirements: Yes X No \_\_\_\_\_

if so, what 100% participation if non-contributory; 75% if contributory

BENEFITS OFFERED:

Hospital Surgical Yes X No \_\_\_\_\_ Maternity Yes X No \_\_\_\_\_

Major Medical Yes X No \_\_\_\_\_ Chiropractic Yes X No \_\_\_\_\_

Chemical Dependency Yes X No \_\_\_\_\_ Dental Yes X No \_\_\_\_\_

Mental/Nervous Disorders Yes X No \_\_\_\_\_ Weekly Disability Yes X No \_\_\_\_\_

Other benefits Long Term Disability; Prescription Drug

HOSPITAL PRECERTIFICATION REQUIRED: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

SECOND SURGICAL OPINION PROGRAM: Yes \_\_\_\_\_ No \_\_\_\_\_ Optional

WAITING PERIOD FOR PRE-EXISTING CONDITIONS: up to 12 months.

REIMBURSEMENT OF MEDICAL EXPENSES:

Paid based on 100 % usual, customary and reasonable charges subject to deductible and copayment.

PLAN PAYMENTS/INSURED'S COPAYMENTS (e.g. 80%/20%)

Inpatient 80/100 %/ 20/0 %

Outpatient 80/100 %/ 20/0 %

Prescription Drugs \_\_\_\_\_ % or \$ 3.00

MAXIMUMS:

\* 2 times the individual co-insurance exposure and all applicable

The insured will pay a maximum of \$ \* out-of-pocket per year after which the plan will pay deductibles 100 % based on UCR

The maximum the plan will pay in a insured's lifetime is \$ Unlimited.

The maximum employee contribution to the premium is \$ \_\_\_\_\_.

DEDUCTIBLES AVAILABLE:

X \$100      X \$250      X \$500      1000 Other

PREMIUM RANGE:

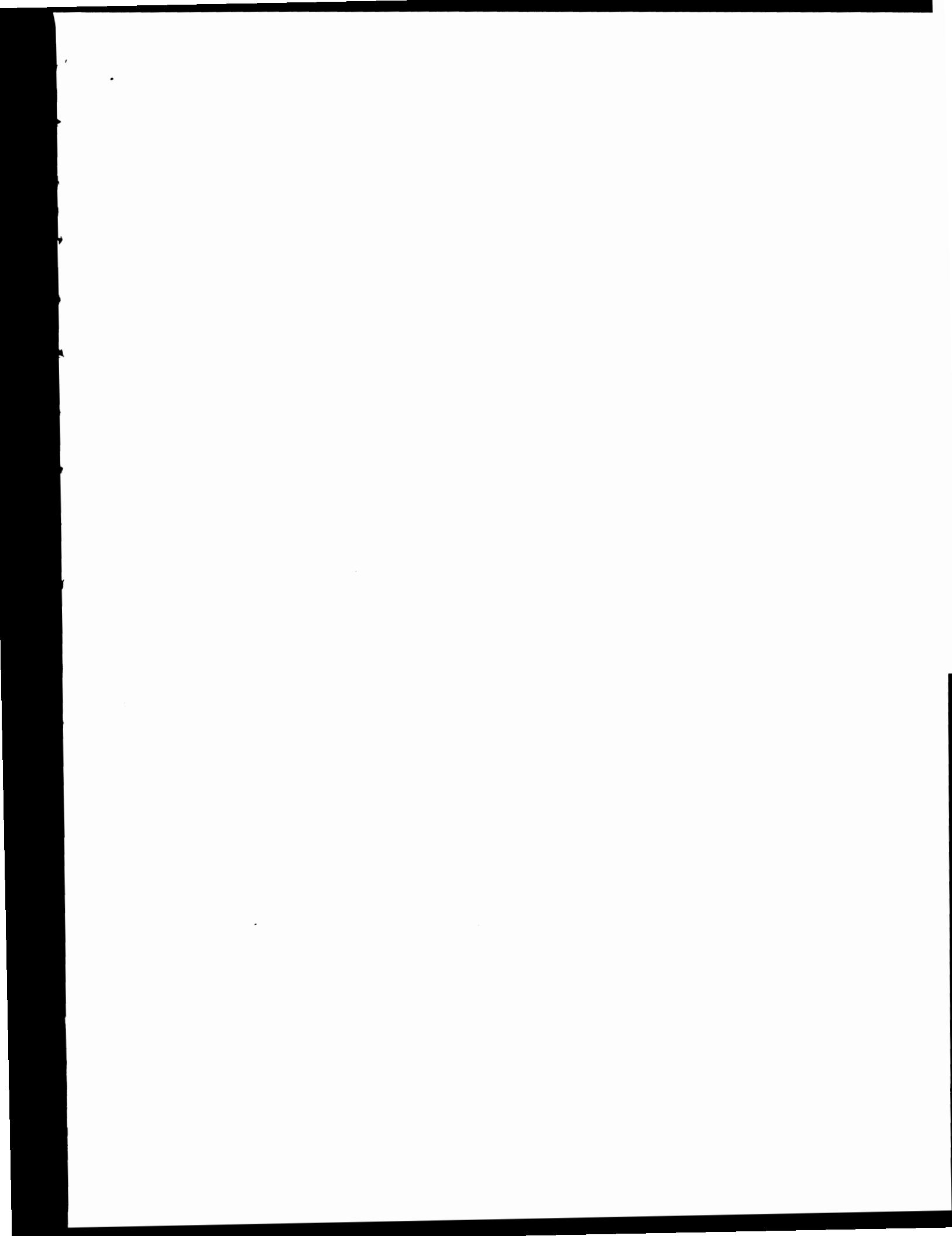
Individual \$ 10 minimum \$ 900 maximum

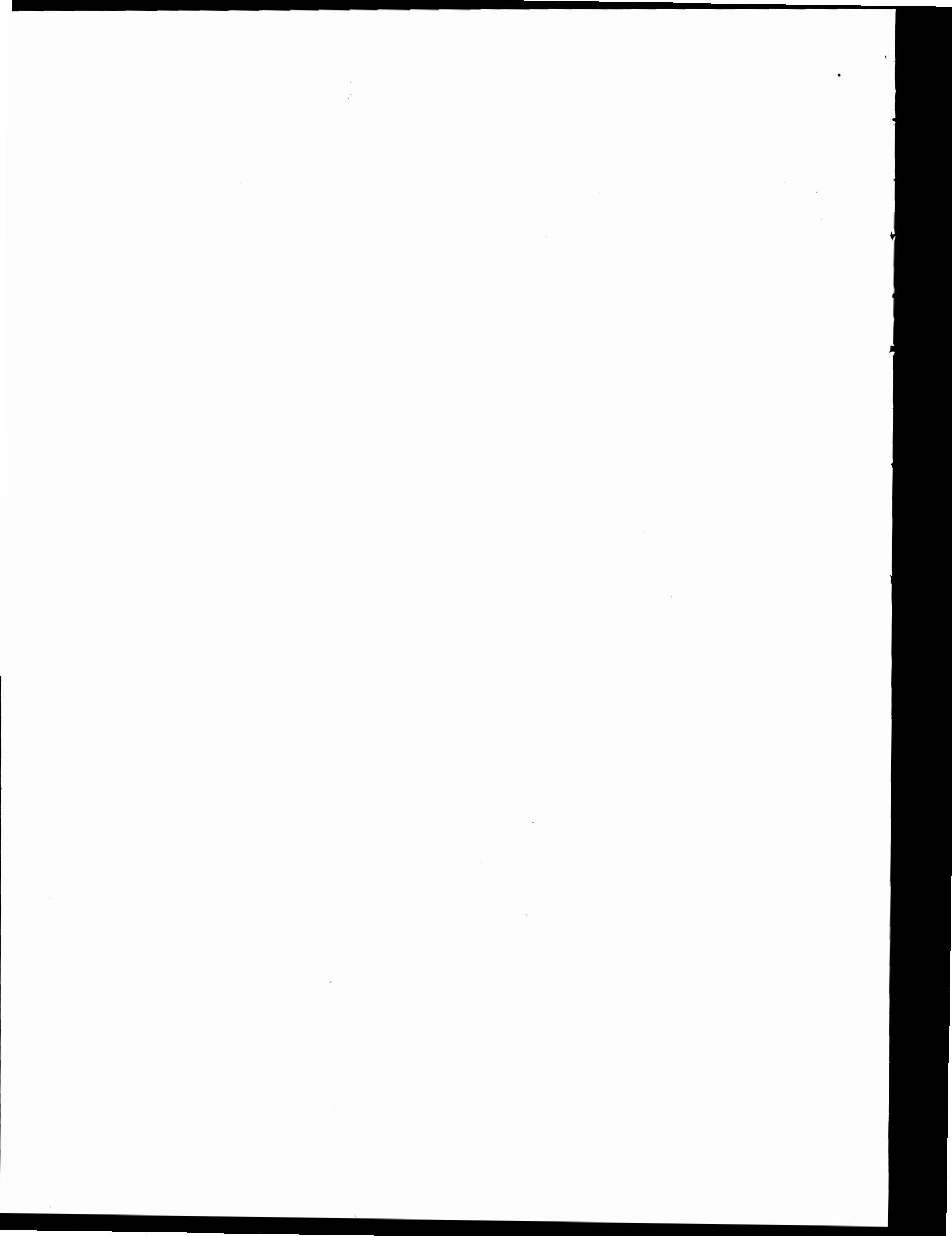
Family \$ 50 minimum \$ 2200 maximum

LIFE INSURANCE REQUIRED: X Yes \_\_\_\_\_ No

Minimum face amount required \$ 10,000.







## APPENDIX D

2/17/89

### STATE INCOME TAX CREDITS TO SMALL BUSINESSES

#### Proposal for a Pilot Program

##### I. Background

The Health Insurance Trust Commission's purpose is to expand employer-based coverage in small businesses. Affordability and cost are major barriers to coverage. The effective cost of insurance to employers can be reduced by allowing those who provide coverage to claim a credit against state income tax liabilities. This voluntary approach which will rely on insurers and delivery systems already in place and will result in limited revenue losses to the state is proposed on a pilot basis. Decisions regarding program expansion and modification can be made as the program proceeds.

##### II. Objectives

- A. To stimulate small businesses to provide health insurance for their employees.
- B. To gain insight into how effective a tax credit program will be if expanded by determining the level of interest in the tax credit program, characteristics of employers who participate and reasons other employers do not participate.
- C. To identify effects of the program (e.g., revenue losses, features and costs of plans purchased) and aspects of the program that should be modified if the program is to be expanded.

##### III. Target Group

Employers with greater than 2 and fewer than 26 employees who meet other conditions as outlined in section VI (B) are eligible to participate. The program will be restricted to employers whose business and employees are located in targeted geographical areas as identified by the Health Insurance Trust Commission ("Commission").

Geographical areas selected by the Commission will include at least one urban and one rural area. The areas shall have a high concentration of small businesses. A lower-income rural area served by one or more hospitals with significant bad debts and charity cases shall be among those selected.

A maximum of 10,000 individuals (employees and owners) are targeted for the first operational year.

**IV. Target Date**

Program Development and Start-up: September 1, 1989-June 30, 1990.  
Operational: July 1, 1990, or as soon thereafter as feasible.

**V. Estimated Costs**

The projections assume the target dates as outlined in Section III. Participating employers are to be eligible for tax credits for three years from the time they begin to offer coverage.

Administrative costs and foregone revenue, due to the tax credit, are projected for the next biennium as outlined below. (Does not include estimates of reduced tax revenues due to deductions. See Section VI (D)(4).)

	<u>Administration*</u>	<u>Foregone Revenue</u>	<u>Total</u>
9/1/89-6/30/90 (Start-up)	\$150,000		\$ 150,000
7/1/90-6/30/91 (1st Year of Operation)	<u>100,000</u>	<u>1,600,000</u>	<u>1,700,000</u>
Total	\$250,000	\$1,600,000	\$1,850,000

Revenue losses beyond the first operational year will depend on changes in the number of eligible individuals employed by employers who enroll initially. Because not all employers will participate from the first day possible and will not have claimed three years of credits to which they are entitled by the end of the third year of the pilot, revenue losses will extend into a 4th year of operation (7/1/93-6/30/94).

Annual administrative costs in subsequent years of operation will not exceed those budgeted for the first year of operation. Costs for the evaluation of the program will extend through 1994.

**VI. Tax Credit Program Design**

**A. Eligibility**

**1. Employers**

Employers: (a) who employ greater than two and fewer than 26 employees in North Carolina; (b) who have not subsidized or provided

---

\* Assumes a full-time program director and a full-time equivalent administrative assistant during the start-up period. A reduction in the director's time is anticipated after the 2nd quarter of the first year of operation.

health insurance to employees in the two years immediately preceding the date this legislation becomes effective (i.e., the legislation is signed); (c) whose businesses are located in geographical areas designated by the Health Insurance Trust Commission.

For the purposes of carrying out this pilot, the limitation of fewer than 26 employees means that the employer may employ no more than a total of 25 employees and owners at the time he begins to provide health care coverage under this pilot program. Employees who may be excluded from coverage (e.g., those covered elsewhere and those who work fewer than 17.5 hours per week) are to be counted in determining employer eligibility. Employers are not to be included in the 25-employee limit in determining employer eligibility.

An employer who participates in the pilot program will continue to qualify if his workforce expands beyond 25 employees during the program. The employer is not entitled to include more than 25 eligible individuals (employees and owners) in calculating his tax credit, however.

An employer who liquidates the assets or dissolves and subsequently reorganizes his business in order to become eligible for a credit is not to be considered an eligible employer.

## 2. Eligible Individuals

Employees who perform services for the employer for an average of at least 17.5 hours per week on an ongoing, nonfluctuating, not seasonal basis are eligible for coverage. The employer may exclude employees who have group coverage through another source and sign waivers.

Owners (sole proprietors, partners, and shareholders) who provide at least an average of 17.5 hours per week in services to the business for which health coverage is contracted is eligible for coverage.

Note: The Commission shall have the authority to modify the 17.5 hour per week requirements in order to be consistent with any amendments to section 89 of the Internal Revenue Code and for other reasons as deemed appropriate to the Health Insurance Trust Commission.

The employer may include employees who work an average of less than 17.5 hours per week as eligible individuals if the employer contributes to the cost of their coverage.

## B. Other Conditions for Employers to Qualify

### 1. Employer/Employee Contributions to the Premiums

The minimum employer contribution required is at least 50% for employees working 30 hours or more. For employees working less than 30 hours per week, the employer must pay a minimum of 25% of the premium.

2. Employee Service

Coverage must be provided for the employee no later than 90 days from the date of employment.

3. Insurance Standards

a. The employer is required to purchase a plan certified by the Insurance Department as described in section VI (C).

b. Premiums; Deductibles; Copayments; Stop Loss

C. Certification of Insurers and Health Benefit Plans

The Insurance Department ("Department") will certify one or more insurers which meet minimum benefit levels and follow specific underwriting criteria as defined by the Commission. The Department may select plans to certify from proposals submitted by insurers. "Insurers" are meant to include HMOs, hospital and medical service corporations and like organizations.

D. Tax Credit

1. Size

The lesser of \$25 per covered eligible individual per month or 25% per month of the total amount paid or incurred for health coverage by the employer during the taxable year for eligible individuals.

2. Duration

The employer can participate in the program for three consecutive years (36 months). He may not "re-enroll" in the pilot program if he has discontinued coverage during the three-year program.

3. Credit Carryforward

The employer is allowed to carry over portions of the credit which exceed the net tax to succeeding tax years. Credits cannot be carried over to tax years beyond the years in which the employer participates in the program.

4. Impact on Deductions; Allocation of Credit

An employer may not take deductions to which he may otherwise be entitled on his state tax return for expenses on which the credit is claimed. He is entitled, however, to claim deductions on his state return on expenses (to which he might otherwise be entitled) on which no tax credit is claimed. For example, premiums for eligible individuals in excess of 25 and dependents not eligible for tax credits under this pilot.

If two or more taxpayers share in the expenses eligible for the credit, each taxpayer shall be entitled to receive the tax.

credit in proportion to his respective share of the expenses paid or incurred.

**VII. Duties and Powers of the Commission**

The Health Insurance Trust Commission will have ongoing involvement with the pilot. The Commission shall have the authority to define aspects of the pilot during its start-up phase and will be responsible for overseeing the program's implementation and evaluation. The Commission shall have the authority to employ whatever means are reasonable necessary to carry out the objectives of this pilot.

The Commission will be responsible for reporting on the pilot's progress no later than the first legislative session following the first operational year and after each subsequent year of operation. A report evaluating the program will be submitted by December 31, 1994. The Commission will recommend an entity to oversee and report on the program in the event the Commission is to be dissolved.

**VIII. Program Administration**

The Department of Insurance will be responsible for administering the program with the assistance and cooperation of the Department of Revenue.\*

The Commission, the Department of Insurance and participating insurers will be responsible for marketing the program.

---

\*Many administrative functions (e.g., marketing, enrollment, premium administration, claims administration) may be performed by participating insurers.

## APPENDIX E

### COMMUNITY HEALTH ACCESS PROGRAM

Almost 200,000 of North Carolina's uninsured full-time and part-time workers are under poverty. Over 400,000 are under 200% of poverty. This large group of low-paid uninsured, many (44%) working in small firms with fewer than 9 employees, will remain largely untouched by strategies designed to expand employer sponsored insurance coverage. Our employer interviews indicated that these smaller less stable employers cannot or will not voluntarily offer insurance coverage. Even in the few cases where these employers are moved to offer insurance coverage, the prospects of low-paid workers purchasing family coverage are remote. The money is just not there. Barring a sweeping expansion of Medicaid or implementation of universal coverage, this segment of the uninsured will continue to be left out.

Though no approach is ideal, one approach can help bridge the gap until more permanent solutions are achieved. If communities were provided assistance in improving and expanding the capacity of their existing delivery systems to better serve the uninsured poor, there would be an immediate improvement in access. We propose that the State establish a competitive 4 year demonstration program where a limited number of grants are made available to communities to develop and operate a coordinated delivery system to serve the uninsured working poor. No matter what long-term solutions to the uninsured problem are instituted, improving how care is managed and delivered will have to be part of the solution.

Care for the uninsured poor is now heavily weighted toward expensive inpatient and hospital-based outpatient services. Too often the uninsured poor do not get the primary and preventive care they need when they need it. A recent study indicates that 1/3 of the hospital care provided to the uninsured could have been avoided by earlier detection and treatment. The primary goal of this proposed grant program is to change the location, timing, and focus of care. We propose that grant funds be used by communities to expand existing delivery systems or to develop new delivery systems to cost-effectively deliver primary and preventive care services, and to arrange for necessary referral, hospital, and support services for the uninsured poor.

This program is also intended to be a vehicle for raising community awareness and action. A successful applicant will have to demonstrate strong community support for the local project. A certain amount of flexibility will be built into the program to respond to the diverse needs and circumstances of participating communities.

## ELIGIBILITY

Grants will be awarded to not-for-profit or public hospitals in rural areas. In counties without an eligible hospital or where an eligible hospital does not apply, the following organizations may apply; primary care centers, county or community agencies, and provider associations.

Those eligible for the services will be the uninsured with incomes below 200% of poverty. They will participate on the basis of income. A sliding fee scale will be used to determine what portion of the costs will be assumed by the individual. Eligible recipients will enroll in the Community Health Access Program.

Applicants must demonstrate the commitment and capability to expand the capacity of their existing delivery system to better serve the uninsured poor. This delivery system would include:

- A primary care physician network.
- A referral network of specialists, and other needed support services.
- Arrangements for 24 hours a day, 7 days a week coverage including assistance in obtaining needed inpatient and specialty services
- Access to ancillary services.

Applicants should also demonstrate:

- Ability to develop and maintain the networks and to effectively manage the care.
- Ability to administer the project.
- Community support for the project, including local contributions.
- Outreach and educational efforts designed to bring eligible people into the system and to help them qualify, where appropriate, for comprehensive coverage.
- Willingness to work with local employers not offering insurance to encourage their participation on behalf of employees.

## GRANTS

For successful applicants grant funds would be awarded in two categories:

### Coordination and Administration

Up to \$30,000 annually would be available to cover the costs of:

- Developing and maintaining the primary care networks and the linkages with other providers and support systems.
- Program administration, including utilization management activities.
- Conducting outreach and educational efforts, including assisting the eligible uninsured qualify for Medicaid and/or Medicare.
- Marketing the program to local employers not offering insurance to encourage their participation on behalf of eligible employees.

### Primary Care and Preventive Package

For each eligible person enrolled in the Community Health Access Program the State will pay the grantee a fixed amount on a per member/per month basis to cover the anticipated costs of providing the following services contained in the Primary and Preventive Care Package:

- Preventive services for children and adults
- Prenatal care
- Maintenance services for those with chronic illness
- Acute Care
- Lab/x-ray

The proposed preliminary rate is set at \$20 per person/per month. Any surplus funds generated from individual and employer contributions or from program efficiencies can be used to purchase additional services, including drugs and specialty care. Though the grantee is only at risk for services contained in the Primary and Preventive Care Package, the program assumes that grantees will assist the eligible obtain needed care which is not covered.

### GRANT ADMINISTRATION

We propose that the Office of Health Resources Development in the Department of Human Resources be responsible for grant administration including;

- Preparing application guidelines and materials
- Publicity
- Reviewing grant proposals
- Monitoring performance
- Providing technical assistance
- Establishing claims payment system
- Evaluation

## PRELIMINARY COST ESTIMATES

### Coordination and Administration

Amount: Up to \$30,000 annually (actual amount based on submitted budget)  
Period: 2 years  
Number of grants: 5  
Total Amount of Funds Needed: \$300,000

### Primary Care and Preventive Package

Amount: \$20 per month per person (1000 member ceiling)  
Period: 1 year  
Number of grants: 5  
Total Amount of Funds Needed: \$1,200,000

### Program Administration

Amount: \$75,000 (year 1) \$75,000 (year 2)  
Period: 2 years  
Total Amount of Funds Needed: \$150,000